

Longchamp Dalton Japan Long Only UCITS Fund

March 2024

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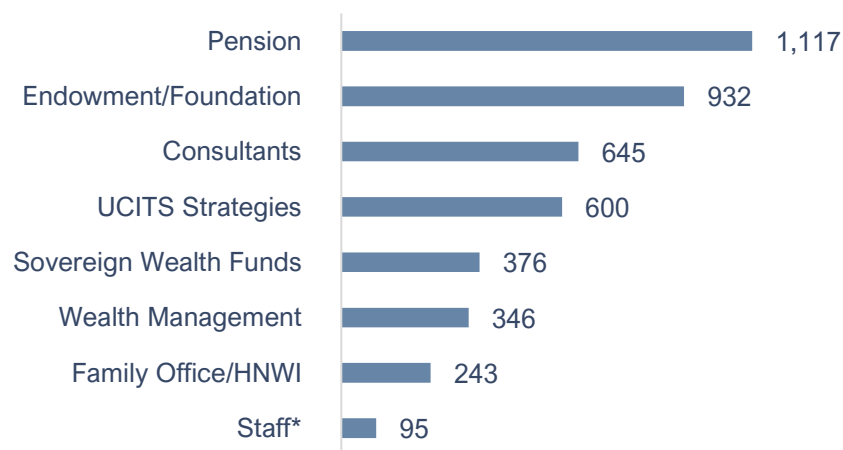
I. Dalton Firm & Strategy Overview

Firm Background

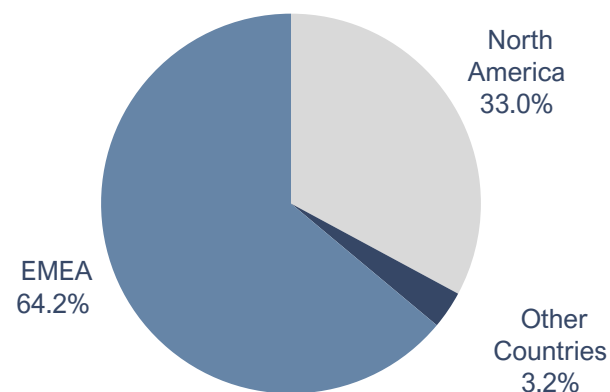
Dalton Investments

- Opportunistic, entrepreneurial and long-term focused value investing philosophy, aiming to generate superior returns for clients
- Began operations in 1998 to capitalize on opportunities arising from the Asia crisis; incorporated in 1999
- Offices in Los Angeles, Las Vegas, Sydney, Mumbai, Hong Kong, New York, and Tokyo
- Experienced, diverse team of 37 with 18 dedicated investment professionals
- Employee-owned firm, co-investing alongside clients

AUM (\$4.4bn)¹ by Client Type (\$m)^{1,2}



AUM (\$4.4bn) by Client Location (%)¹



¹As of 31 March 2024. Includes a non-discretionary account.

²The above chart excludes approximately \$46 million in “financial institution” assets.

*Staff includes all Dalton related parties

Investment Team & Support Staff

As of 31 March 2024

Chief Investment Officer



James B. Rosenwald III*, CFA
(26/43)



Director of Research



Shiro Hayashi*
(15/23)



CRO & CSO



Craig Mercer*
(7/25)



Trading



Richard Hill* (9/26)



Kenneth Hendrawan (5/7)

Sustainability



Su Cheng Tung (<1/2)

Non-Investment



Team of 22 across
management, finance, legal,
compliance and operations

Tokyo Office



Kota Isogai (9/17)



Masumi Nishida* (3/15)



Toshihito Yamada (12/12)



Takahisa Taguchi (3/7)

Hong Kong Office



Jessica Xing (3/10)

Los Angeles Office



Pedro Zevallos (7/29)*



Venkat Pasupuleti (10/14)*



Owens Huang (9/14)*



James Lim (9/12)*

Mumbai Office



Siva Thiravidamony (5/14)*



Upama Roy (2/12)

*Partner
(Years of experience firm/industry)

Investment Philosophy - The Four Mantras & Engagement



Invest in Good Businesses

- Strong cash flows and balance sheets, a “moat” against competition, focus on ESG best practices



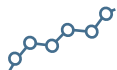
Seek a Significant Margin of Safety

- Seek a material discount to intrinsic value, looking out 3-5 years



Focus on Alignment of Interest

- Identify companies with an alignment of interest between the owner-operator/management and minority shareholders, or companies where an opportunity exists to enhance alignment



Strong Track Record

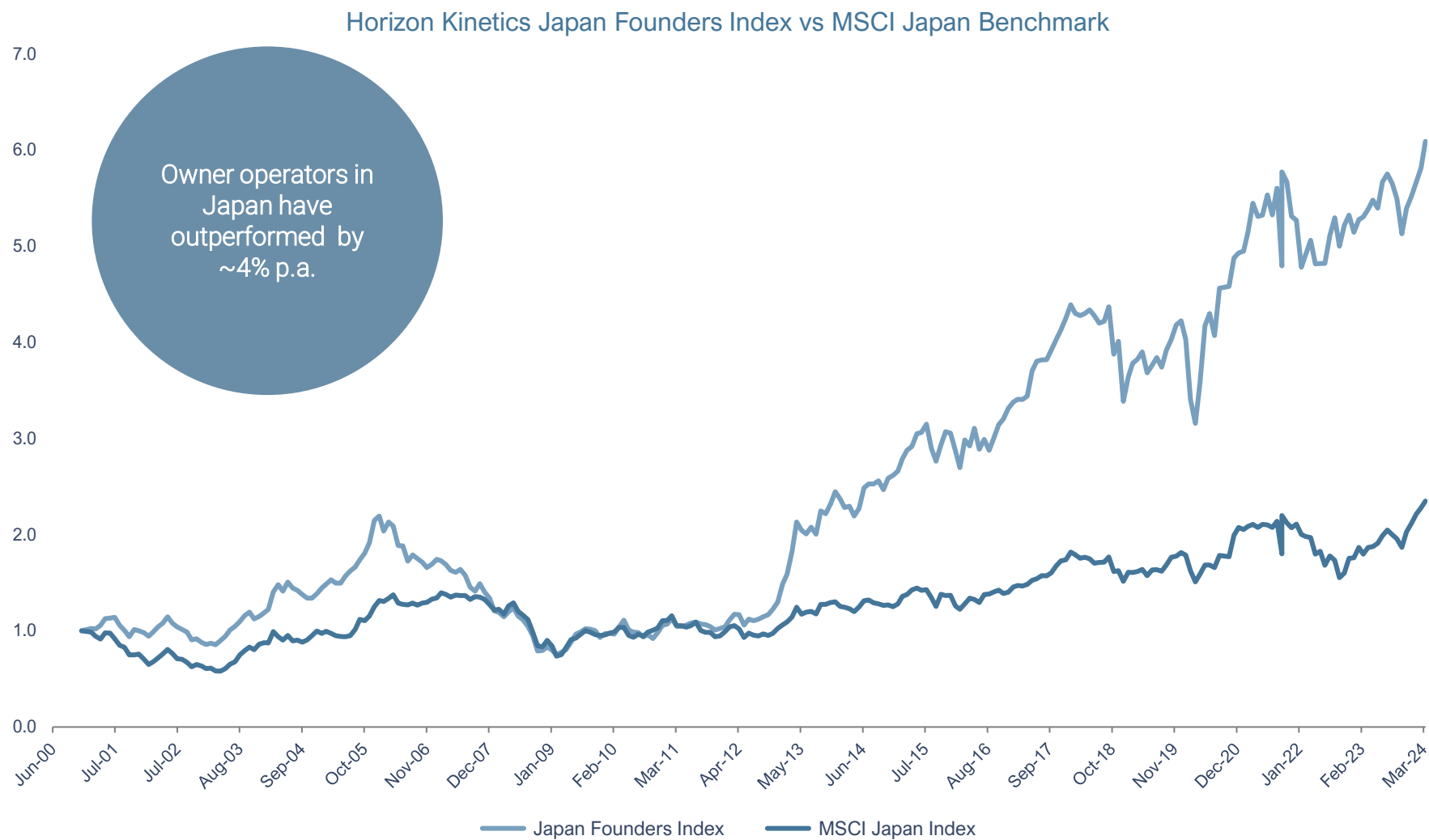
- Identify a demonstrable track record of managing capital effectively and rewarding minority shareholders



Engagement

- Capitalizing on corporate governance reform and shareholder activism to opportunistically add value

Investing With Experienced “Owner-Operators” Is Key



Source: Horizon Kinetics, MSCI. The Horizon Kinetics Japan Founders Index provides a benchmark for investors interested in tracking the performance of Japan-listed, publicly-held companies that are managed by the founders of the company.

Alignment of Interests with Owner Operators

Name	Sector Group	Value of ownership (USD, mn)	% Ownership
SANWA HOLDINGS CORP	Industrials	\$36	1%
RINNAI CORP	Consumer Discretionary	\$791	25%
TOYOTA INDUSTRIES CORP	Industrials	\$314	1%
FUJI MEDIA HOLDINGS INC	Communication Services	\$26	1%
NAMCO BANDAI HLDGS INC	Consumer Discretionary	\$114	1%
HIKARI TSUSHIN	Consumer Discretionary	\$4,418	57%
MACNICA HOLDINGS INC	Information Technology	\$607	22%
MITSUBISHI ESTATE CO LTD	Real Estate	\$223	1%
EBARA CORP	Industrials	\$457	6%
TOYO SUISAN KAISHA LTD	Consumer Staples	\$111	2%
Total (Top 10)		\$7,096	

Source: Dalton Investments, Bloomberg, top 10 weights as of December 2023

Please note that the case studies are included herein to convey Dalton's thought process and approach in analyzing investment opportunities and are not indicative of performance for any actual Dalton account. The actual performance of the position is not relevant disclosure and should be disregarded given that the aggregate performance of an account/portfolio can be materially different. Further, it should not be assumed that future investments will be profitable or will equal performance discussed in these case studies.

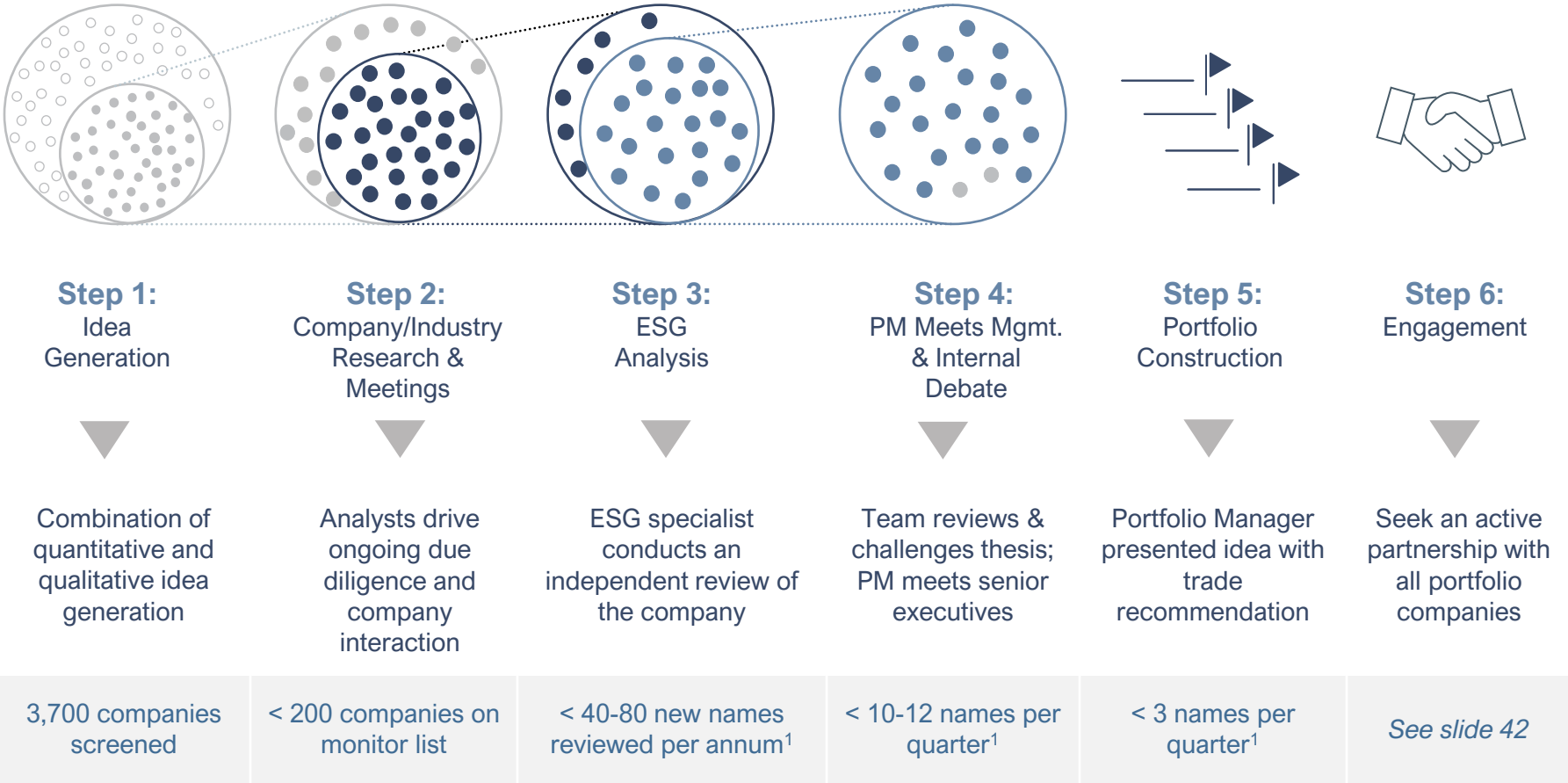
Simply Making AGM Proposals Outperforms

Performance of an equal-weight portfolio of targets in 2022 AGMs



Source: CLSA

Dalton Investment Process



¹Estimate of typical workflow
 The Delegated Investment Manager takes environmental, social and governance (ESG) criteria into account in investment decisions among others; however, sizing of individual positions is based on a larger scope of criteria than ESG only.

Dalton's Approach to ESG

ESG in the context of the 4-Mantra



Good Business: A good business needs to generate profits sustainably



Alignment: Sound corporate governance practices improve the alignment with minority shareholders and create a greater emphasis on long-term value



Track Record: Some studies* suggest that superior ESG firms may have lower costs of capital and therefore potentially offer a greater chance of generating superior returns to their weighted average cost of capital



Margin of Safety: A company with sound ESG policies potentially lowers the risk of permanent impairment of capital*

Dalton is a signatory of the PRI, Climate Action 100+, and both the Japan and Korean Stewardship Codes.

The Dalton Japan Long Only UCITS Fund meets the classifications of an Article 8 (SFDR Regulation) as it promotes environmental and social characteristics.

*Fulton, Kahn, Sharples (2012). "Sustainable Investing: Establishing Long-Term Value and Performance." Deutsche Bank. Please note that no representations or warranties, either expressed or implied, can be made as to the data and analysis provided in these studies. The data analysis has been prepared by the respective authors and entities, and Dalton Investments has not verified any of the studies independently. The views and opinions expressed in the studies are those of the authors and do not necessarily reflect the opinion of Dalton. The Delegated Investment Manager takes environmental, social and governance (ESG) criteria into account in investment decisions among others; however, sizing of individual positions is based on a larger scope of criteria than ESG only.

The ESG Research Process



Dalton Japan Long Only UCITS Fund

Performance (Net of Fees, EUR) as of 28 March 2024



Dalton Japan Long Only UCITS Fund Monthly Performance (%) Net of Fees* (EUR)

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	YTD
2024	Share SUH (EUR)	4.18%	4.74%	1.06%										10.28%
	Benchmark	6.39%	3.39%	2.74%										13.01%
2023	Share SUH (EUR)	4.49%	-0.90%	2.51%	-0.27%	5.53%	1.20%	1.36%	1.03%	0.44%	-3,51%	5,72%	3,60%	22.91%
	Benchmark	4.38%	-1.52%	1.48%	-1.23%	5.48%	1.72%	1.94%	-0.88%	0.36%	-4,35%	5,16%	3,09%	16.24%
2022	Share SUH (EUR)	-5.59%	1.08%	-2.64%	-3.18%	-0.89%	-2.29%	8.58%	1.05%	-6.20%	-0.77%	4.73%	-2.68%	-9.33%
	Benchmark	-3.70%	-1.31%	0.44%	-4.59%	0.90%	-5.62%	8.37%	-1.19%	-7.99%	2.06%	5.28%	-3.27%	-11.18%
2021	Share SUH (EUR)	-0.58%	-0.23%	7.19%	-3.54%	-2.33%	3.32%	-0.76%	5.00%	3.25%	-3.52%	-0.04%	2.20%	9.75%
	Benchmark	0.23%	1.61%	4.37%	-3.85%	-0.01%	2.80%	-1.26%	3.54%	4.66%	-3.22%	0.28%	0.85%	10.01%
2020	Share SUH (EUR)	-2.64%	-10.96%	-1.26%	6.53%	5.74%	0.29%	-5.26%	7.10%	6.13%	-0.93%	6.64%	-0.74%	9.17%
	Benchmark	0.01%	-8.34%	-7.05%	5.58%	4.30%	-0.98%	-6.53%	6.40%	2.99%	-0.94%	9.55%	1.26%	4.57%
2019	Share SUH (EUR)	4.92%	3.23%	1.52%	2.60%	-3.55%	0.06%	3.24%	0.42%	3.89%	4.32%	2.46%	1.14%	26.78%
	Benchmark	6.41%	0.74%	1.99%	1.82%	-3.64%	1.51%	2.42%	0.08%	5.10%	2.46%	1.75%	0.18%	22.51%
2018	Share SUH (EUR)							-1.82%*	3.82%	2.97%	-9.41%	3.15%	-9.75%	-11.49%
	Benchmark							1.13%	0.79%	3.22%	-6.16%	0.47%	-8.18%	-8.93%

*July 2018 performance starts on 13-Jul.-2018, when the share class was launched. Past performance is no guarantee of future results. All investments involve risk including the loss of principal. The performance data for the UCITS Fund does **not** claim compliance with GIPS.

Current Investment Themes



Industry & Global Leaders (30%)

- Continued expansion of disposable income is leading to a step change in consumption patterns.
- COVID has also accelerated many businesses on-line activities.

Examples include:

- ✓ Sanwa (Door/Shutter)
- ✓ Disco (Semi-Conductor)



Digitalisation of Japan Society (5%)

- Asian companies are global leaders in the development of market-leading 5G technologies.
- DX is needed to address low productivity & shrinking labor force issue of Japan.

Examples include:

- ✓ Macnica Fuji Electronics (Integrated circuits and network products)



Entertainment / Culture (17%)

- Asian companies dominate global intellectual property in the gaming, music and online entertainment spheres, as well as branded food products.

Examples include:

- ✓ Sony (Movie, Music)
- ✓ Namco Bandai (Video games)



Governance Reform & ESG Transformation (6%)

- Japan is leading the way in government led reform to enhance shareholder value.
- We anticipate similar long-term trends to unwind across the region as ESG matters take center stage.

Examples include:

- ✓ Mitsubishi Estate (Real Estate)
- ✓ NHK Spring (Industrials)



Pre-Event Book (36%)

- Activists are expanding positions in companies where reform is needed.
- Corporate actions by management can unlock value.

Examples include:

- ✓ Fuji Media (Broadcasting)
- ✓ Toyota Industries (Forklifts)

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Based on portfolio as of end of March 2024.

II. Japanese Opportunity Set

The Japan Opportunity

Dalton believes Japan offers the following opportunities:

Structural growth

- 3rd largest global economy, despite a 6% only weighting in global benchmarks, catch-up expected
- Geopolitical decoupling, re-onshoring and friend-shoring
- Consumption in Asia
- Aging demographic provides a tailwind to specific sectors which are global leaders

Corporate actions

- Solid corporate balance sheets
- Japanese corporate governance and stewardship codes
- Alignment with government (largest shareholder of Japanese equities) through Corporate Governance reforms
- Japan is the #2 activist market, increasing tender offer bids and M&A activity

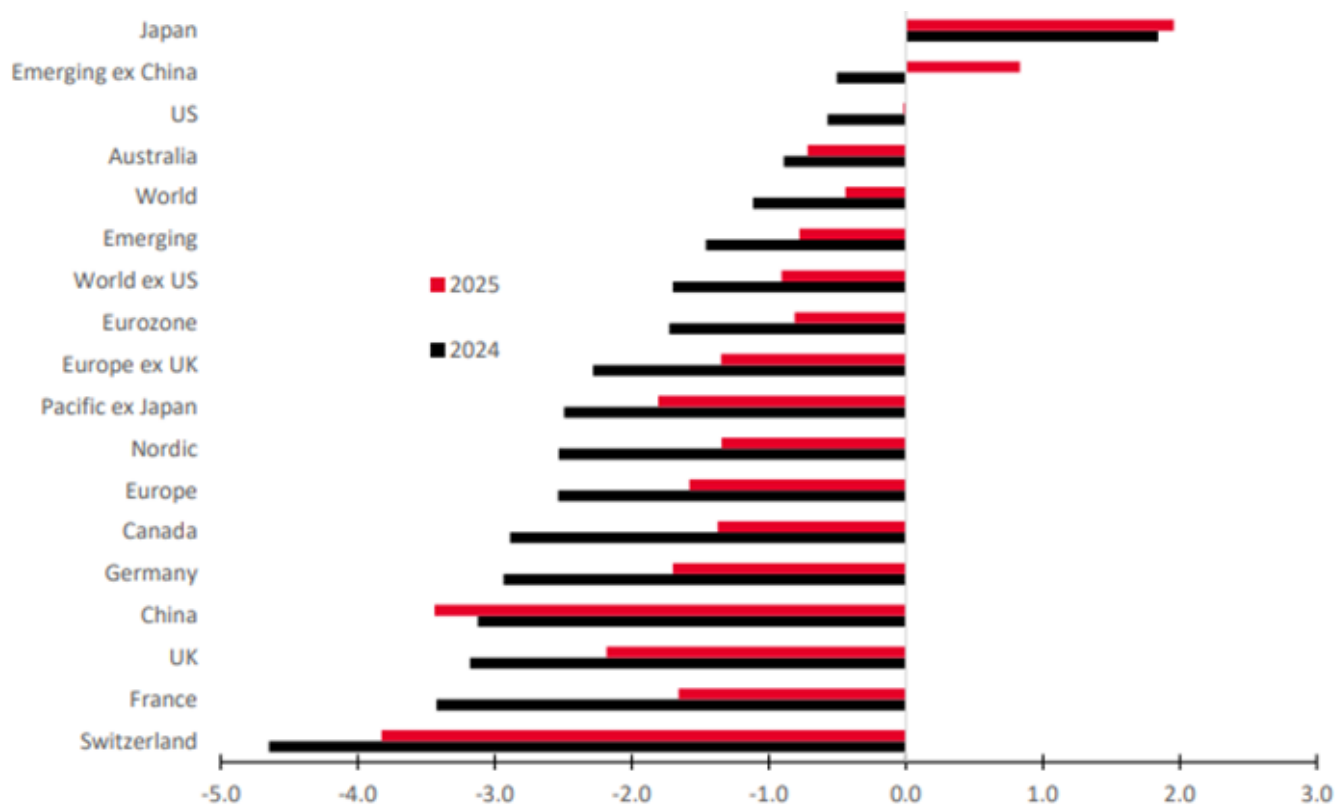
Activism / Engagement

- Government (through TSE and FSA) is proving the most helpful activist and adding tailwind at our backs
- Possible outcome of high dividend and share buybacks
- Simply making AGM proposals outperforms
- Better alignment of interests (stock compensation/stock guideline)

Expected Corporate Earnings for Japan Standout When Compared to the Other Global Markets

2024 and 2025 per share earnings projections have fallen across the world – with the sole exception of Japan which remain positive.

Regional Earnings Consensus Changes (YTD)



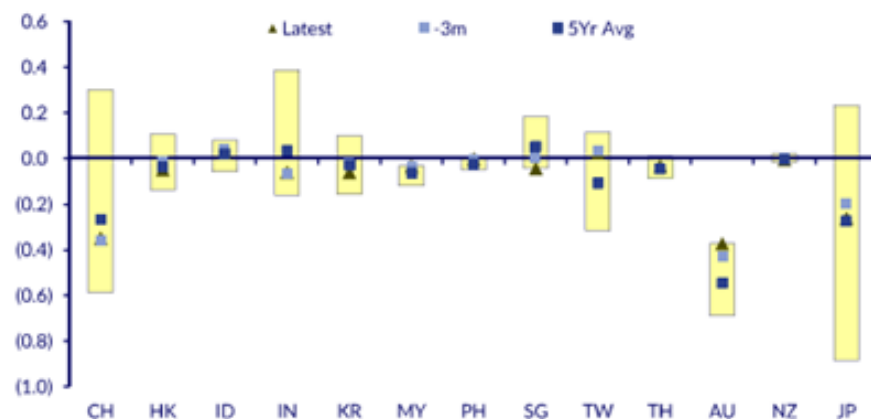
Source: Factset, SG Cross Asset Research/Equity Quant, Factset

Foreign Investors Still Have Capacity to Allocate to Japan

Despite the recent foreign investor inflows into Japan, there is still more re-allocation that can occur, with many Global Equity funds still underweight Japan and historical flows into China still have room to unwind to Japan.

Many Global Funds Remain Under Allocated To Japan

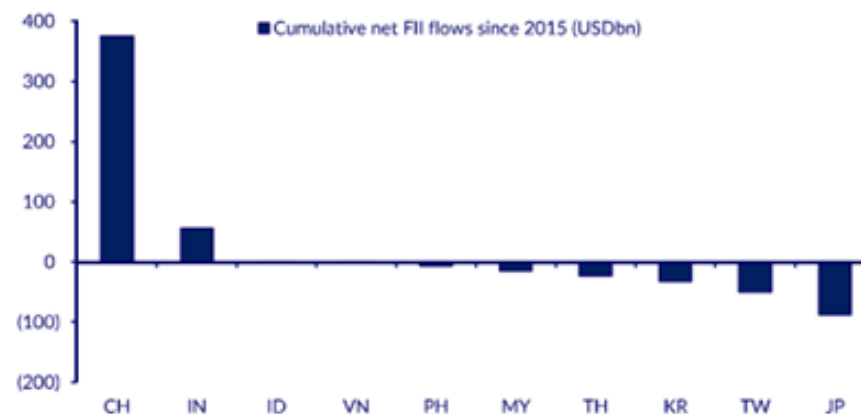
Global Funds' Markets Allocation Summary (% , last 5Y)



Source: CLSA, Factset, MSCI, EPFR
 Note: Yellow boxes represent last 5-year max and min range.

Investors Have Not Fully Fled China, Yet

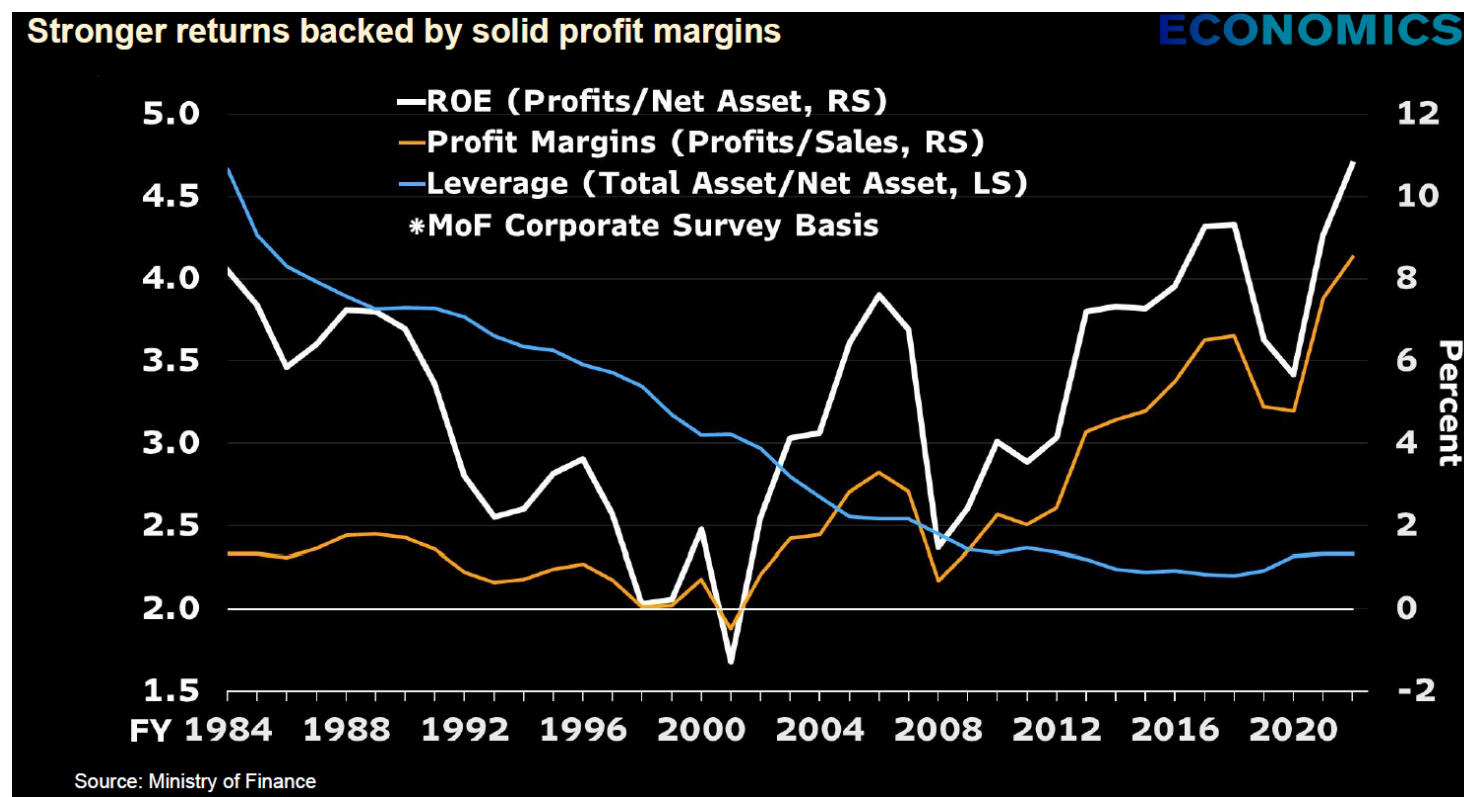
Net Foreign Flows in Asian Markets



Source: CLSA, Factset, MSCI, EPFR

Increased Profit Margins Driving ROE Higher, Even as Overall Balance Sheet Leverage Remains at Historical Lows

- ROE for corporate Japan is at historical highs as profit margins strengthen.
- With balance sheet leverage around historical lows, there remains room for further ROE expansion.

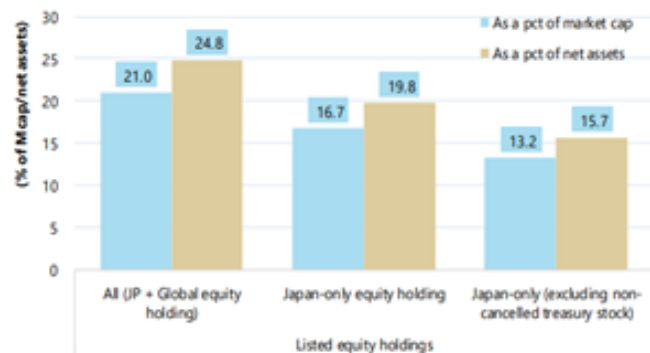


Source: Bloomberg

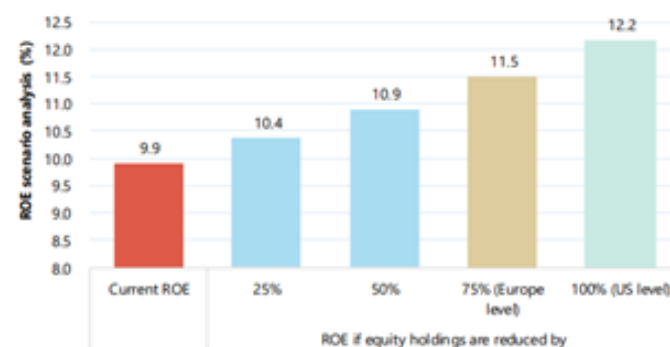
Japanese Companies Could Rerate PBRs by Reducing Equity Cross Shareholdings to Expand ROEs

Japanese companies hold a high percentage of cross shareholdings that if reduced could expand ROEs.

Topix – Equity holdings as a % of market cap and net assets

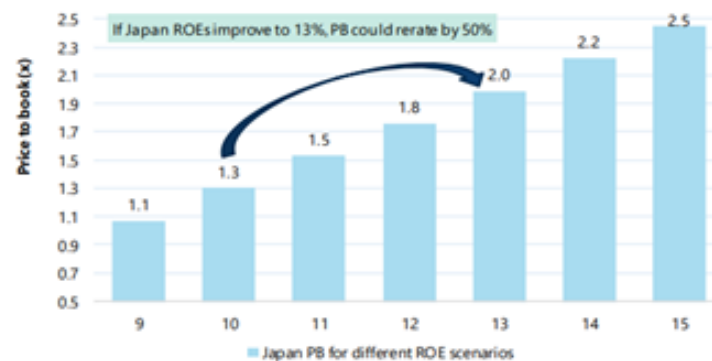


MSCI Japan ROE scenario analysis if the equity holdings are cut



An increase in ROEs could lead to a meaning full rerating in price-to-book ratios for companies.

MSCI Japan: PB rerating based on different ROE scenarios

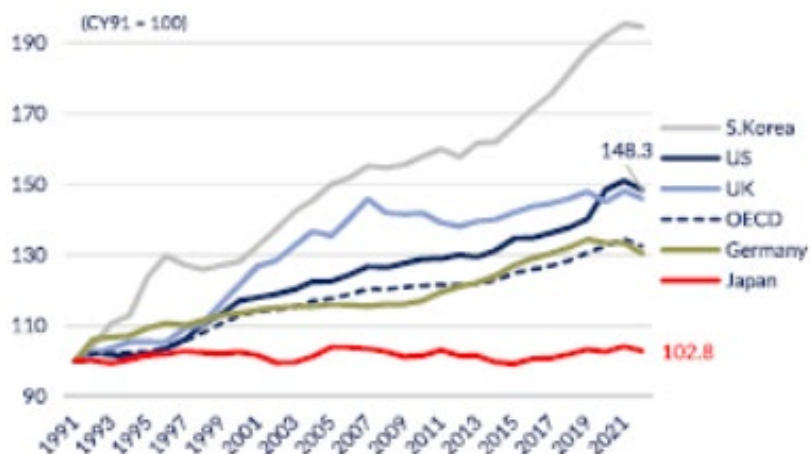


Source: Jefferies, Factset

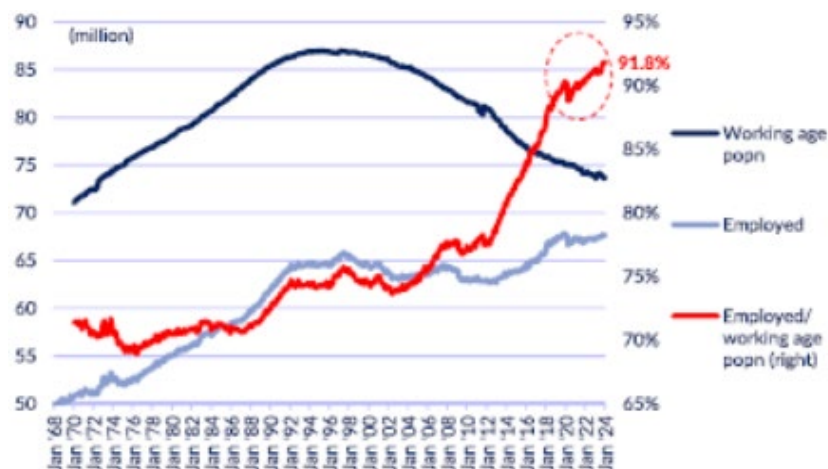
Wage Inflation is Starting to Have a Pulse

Japan has experienced almost no wage inflation since the 1980s market peak but has started to see some improvement thanks to continued low wages to attract more immigrants and continuing population decline.

Wage Inflation in Japan has been Nonexistent



But Japan is Facing a Labor Shortage



Unions have Begun Proving to be Successful in Winning Wage Hikes



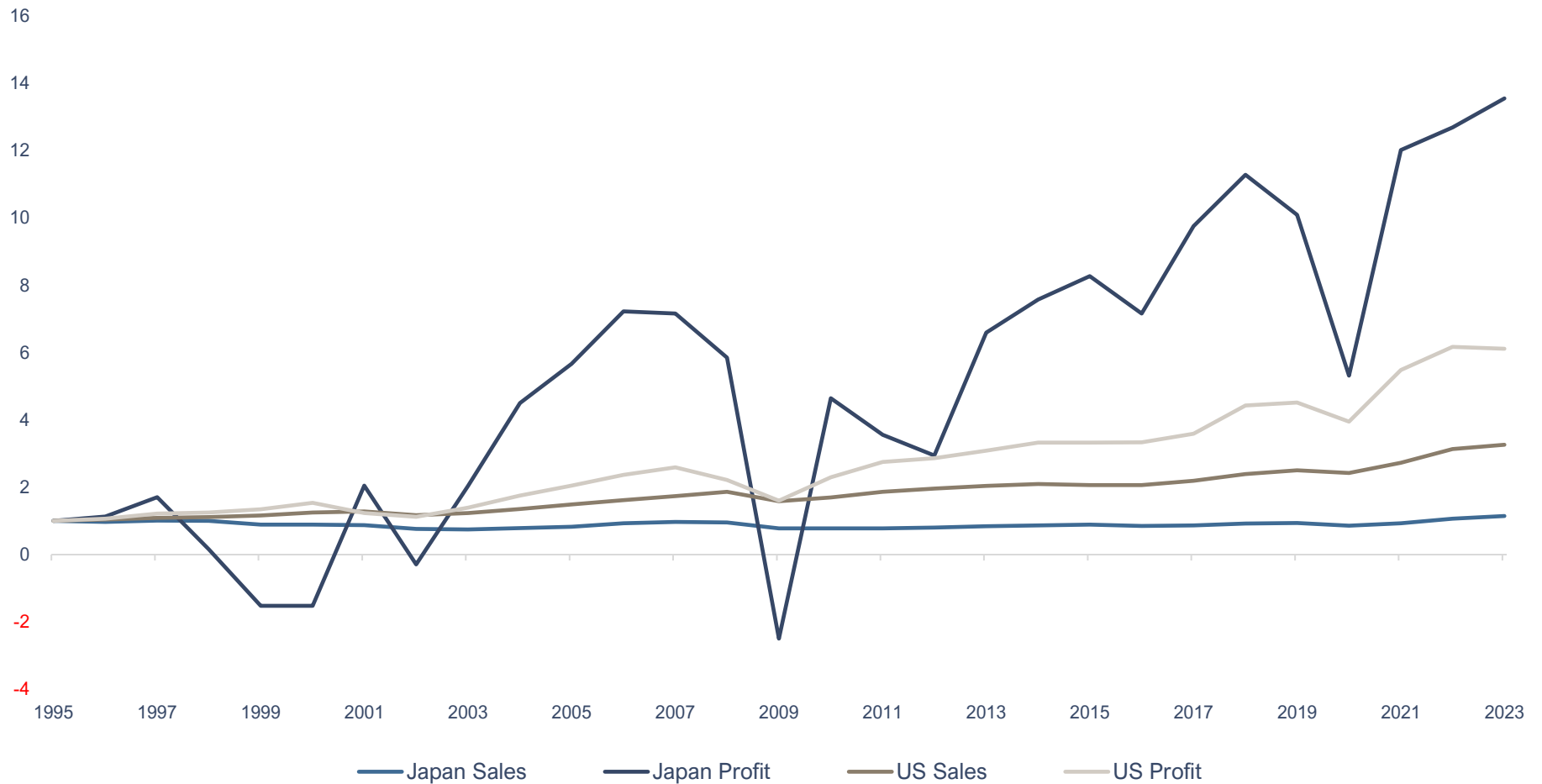
Source: CLSA Benthos

The New Japan Inc.

	December 1989	December 2023
Market Cap (JPY Tr)	590	867
P/E	54x	16
EPS	54	150
ROE	1.9%	8.2%
10Y JGB Yield	5.8%	0.6%
Inflation	3.5%	2.6%
JPY/USD	144	141
Foreign Ownership	5%	30%
Domestic Cross Holdings	50%	N/A
Domestic Retail Ownership	24%	18%
BOJ & GPIF Ownership	2%	14%

Source: TSE, Topix, Bloomberg, Jesper Koll calculations.

Japan Salaryman CEO versus US Superstar CEO

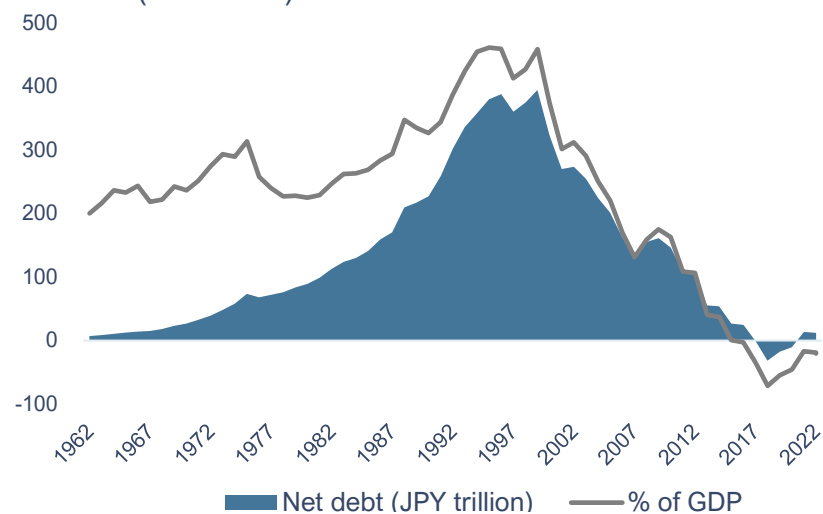


Source: Bloomberg – US is S&P500 companies; Japan is Topix companies

The Japan Inc Cash Anomaly

Japan Corporate Sector

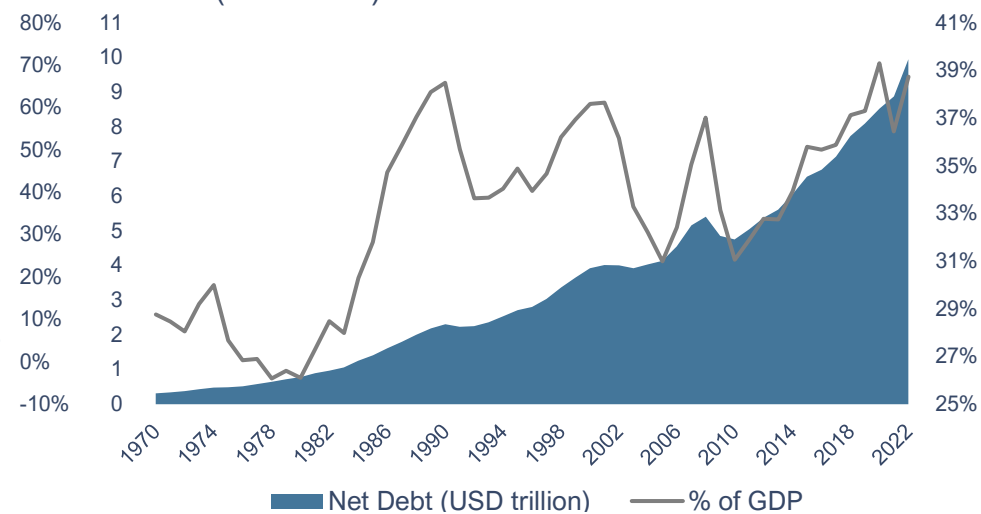
Net Debt (JPY trillion)



Source: Ministry of Finance, Japan

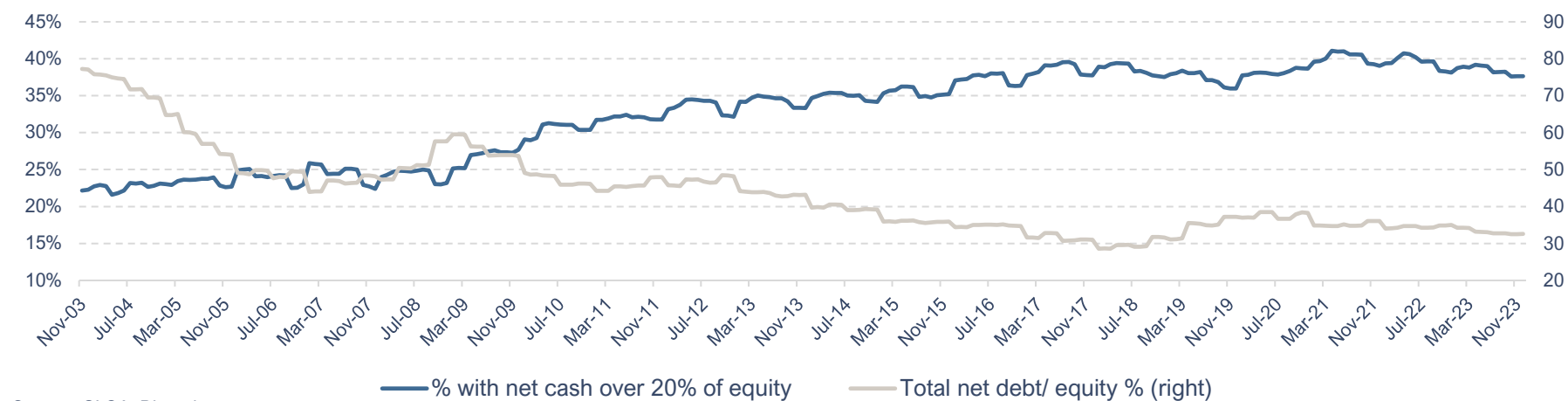
US Corporate Sector

Net Debt (USD trillion)



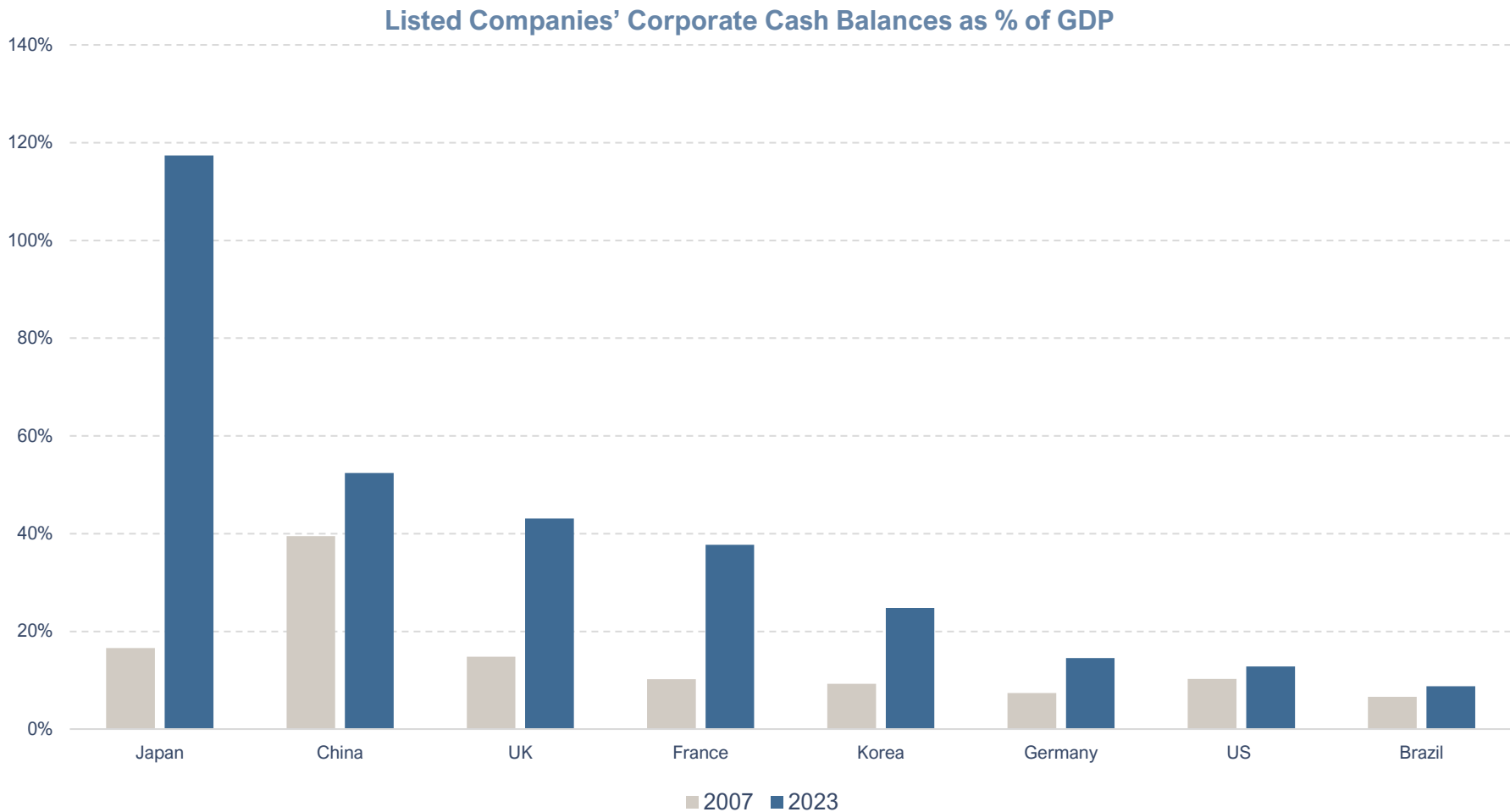
Source: FRB, Deutsche Bank

Percentage of Topix Non-Financials with Net Cash Over 20% Equity



Source: CLSA, Bloomberg

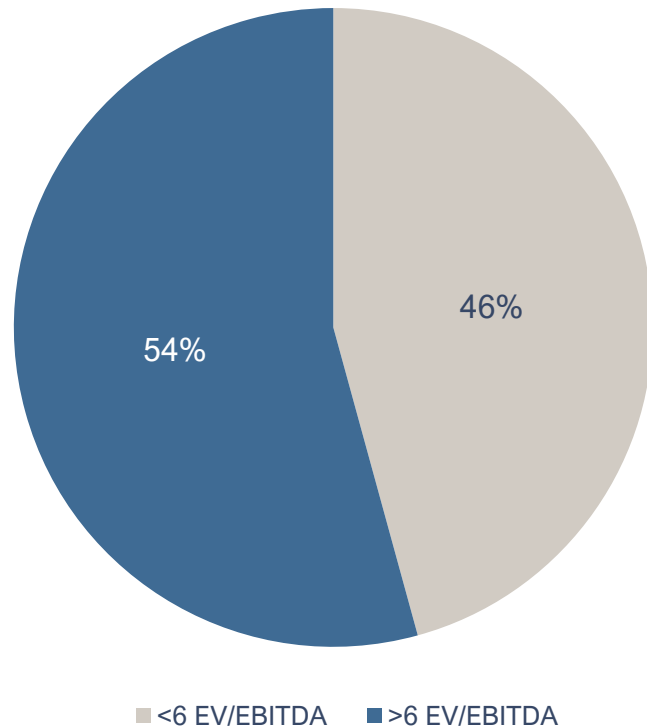
Japan's Cash Rich Companies in Perspective to Global Practices



Source: Milken Institute, Bloomberg and Jesper Koll calculation

Japan Small/Mid Cap Valuations Are Extremely Attractive

EV/EBITDA Breakdown (\$200M - \$5bn Market Cap)



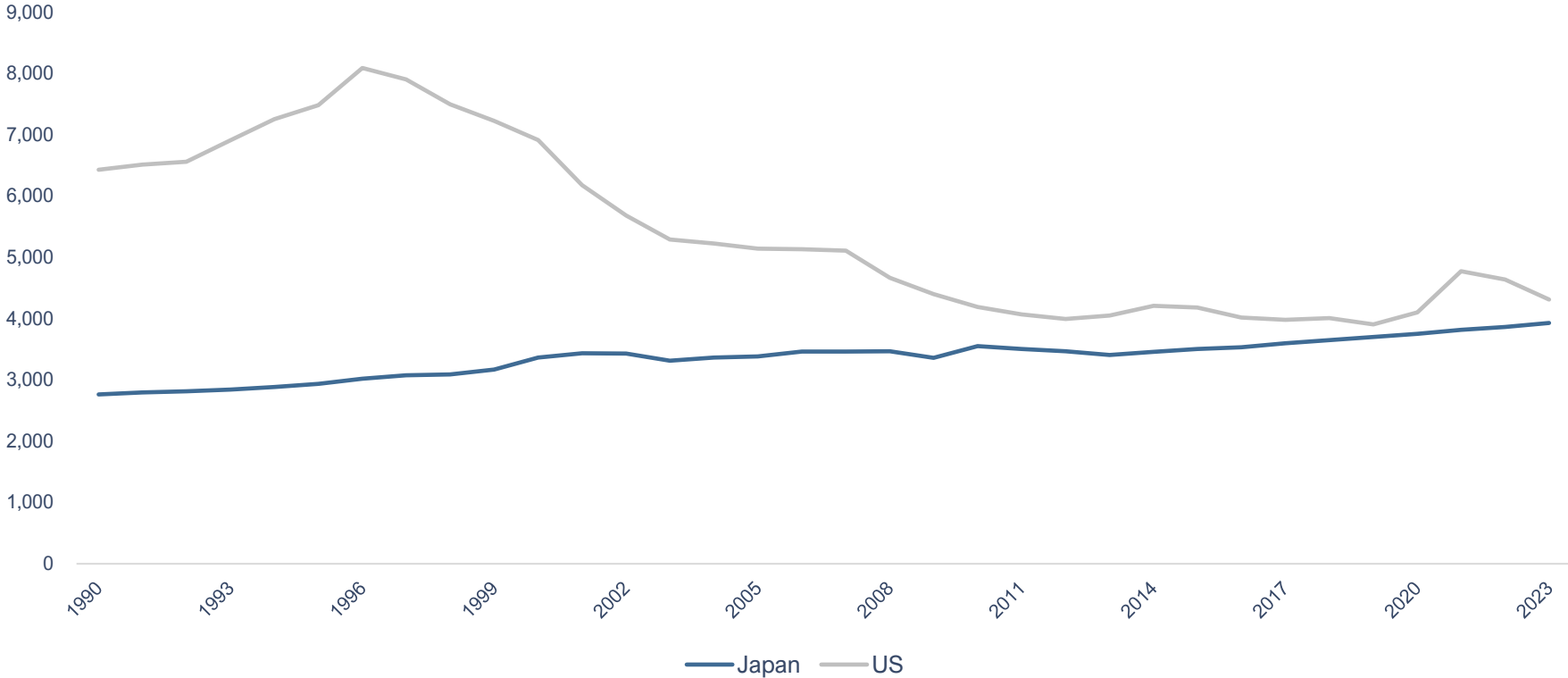
- Median EV/EBITDA is 6.2x
- Around 617 companies trade for <6x
- Japanese banks are willing to finance MBOs with up to 6x EBITDA
- This section of the market could be taken private with essentially zero equity

Sources: Bloomberg, Dalton

Potential for Market Consolidation

- Favorable environment for private equity and/or strategic alliances
- Increased animal spirits by market participants
- Similar conditions to that seen in the mid-90's in the US when a wave of consolidation began

Historical Number of Publicly Listed Companies In US and Japan



Source: The World Federation of Exchanges. Japan listed companies on Tokyo and Osaka exchanges. US listed companies on NYSE, NADAQ, and American Exchange.

The Accelerating Reform Agenda in Japan

The Japanese Government has Spearheaded Change

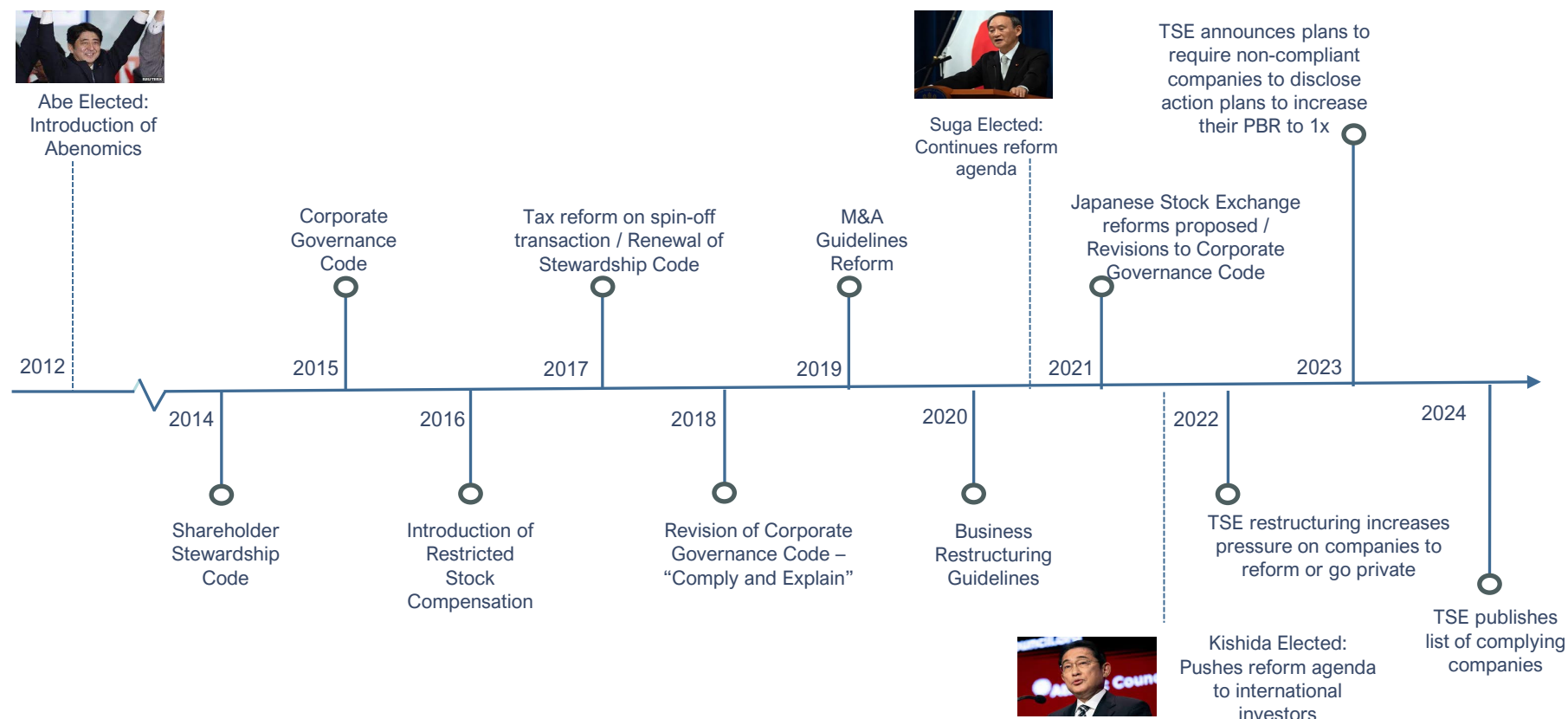
- Historically, Japanese culture and corporate governance have not been supportive of shareholder engagement and activist investors
- Corporate governance reform and key regulatory changes in Japan are creating an environment for increased activism by shareholders
- The largest owner of equities in Japan is the Government Pension Fund, which has a mandate focused on ESG and shareholder reform
- The reforms have introduced specific ROE targets with those falling below 8% being subject to pressure for management changes
- New reforms focus explicitly on company valuation, which is leading to major changes in the behavior of company management



Abe Elected:
Introduction of
Abenomics

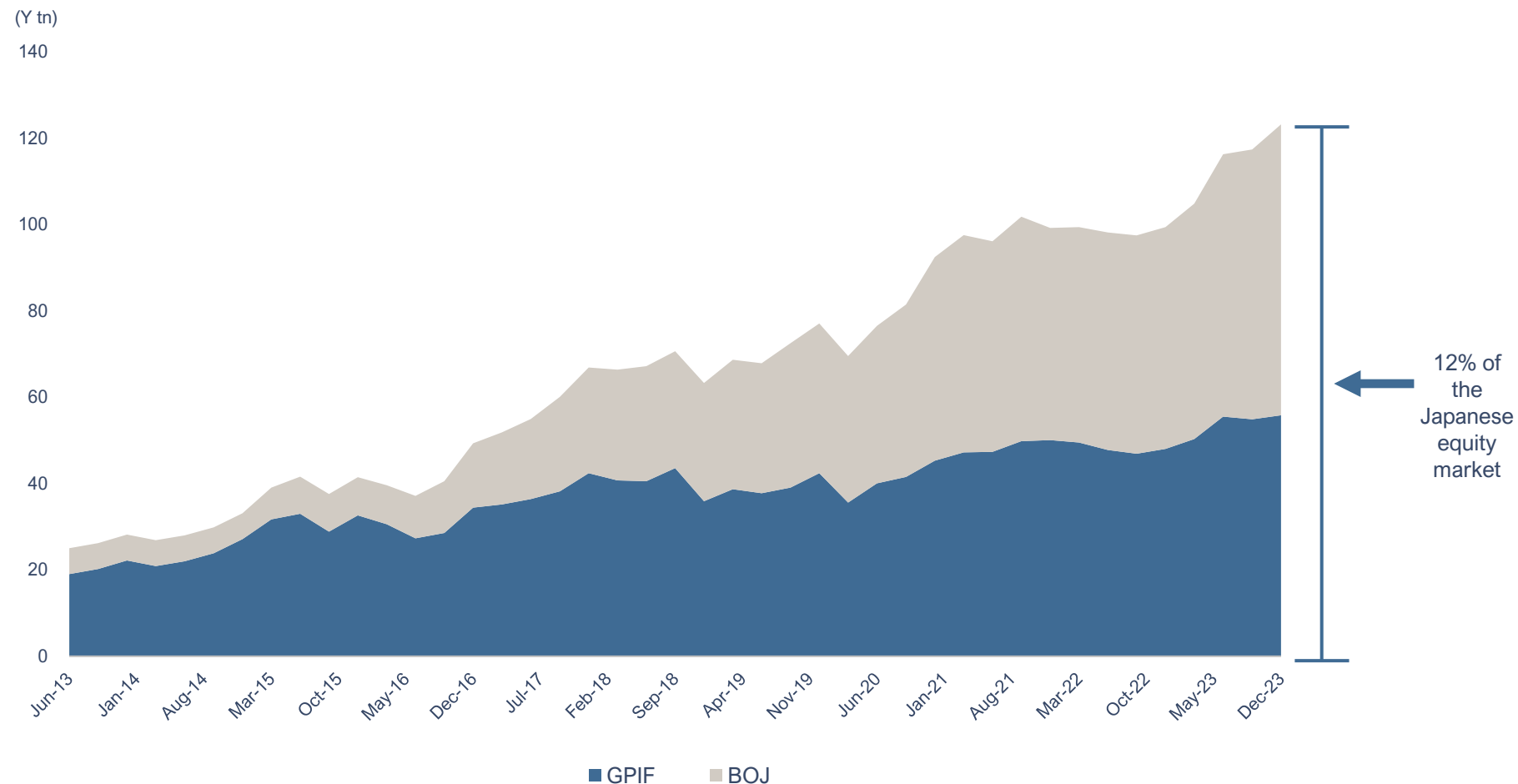


Suga Elected:
Continues reform
agenda



Alignment of Interests with the Japanese Government

Government Pension Investment Fund (GPIF) and Bank of Japan (BOJ) Japanese Equity Investments (JPY Bn)



Source: GPIF, Bloomberg

Institutional Reform around Contest for Corporate Control and M&A Rules

A number of drastic institutional changes by the authorities are underway, including TSE's request for improvement for companies with P/B ratios below 1, METI's formulation of new M&A guidelines such as encouraging serious consideration of takeover bids without prior consent, and FSA's initiation of revisions to tender offer regulations and large shareholding reporting regulations.

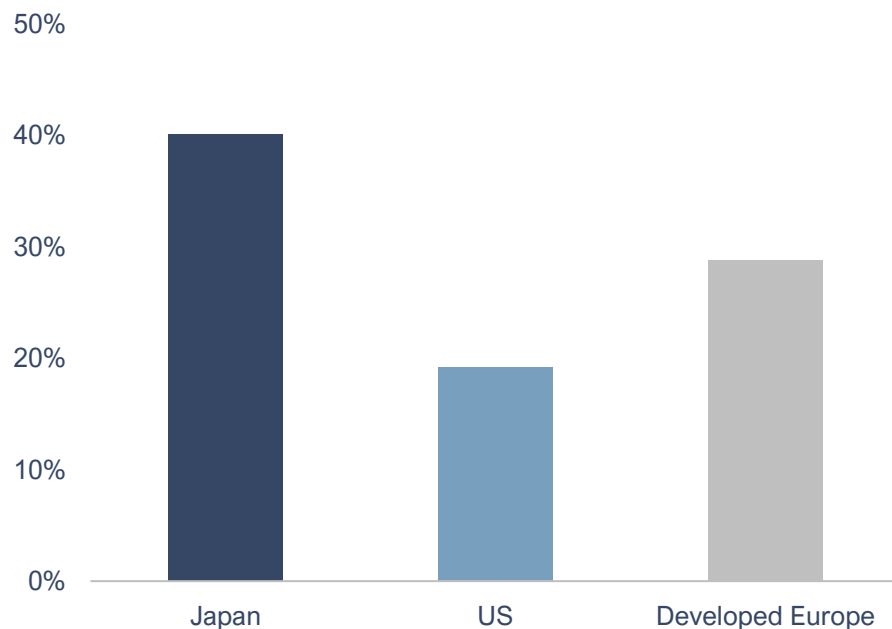
Tokyo Stock Exchange	Ministry of Economy, Trade and Industry	Financial Services Agency
<p>Follow Up to the Market Reorganization</p>	<p>Fair Acquisition Study Group</p>	<p>Revision of TOB Rules</p>
<p>Decided in January 2023</p>	<p>Under discussion</p>	<p>Under discussion</p>
<ul style="list-style-type: none"> ✓ Transitional measures to end March 2026 ✓ Companies with P/B ratios below 1 time are requested to disclose plans to improve capital efficiency, profitability, etc. ✓ Companies are requested to disclose engagement between outside directors and investors. 	<ul style="list-style-type: none"> ✓ Redefine “unsolicited acquisitions” ✓ Reform rules to facilitate corporate value-enhancing acquisitions 	<ul style="list-style-type: none"> ✓ Apply 1/3 rule to market purchases ✓ Make withdrawal and price reduction rules flexible
	<p>Practical Guidelines for Business Transformations</p>	<p>Review of Large Shareholding Reporting System</p>
	<p>Established in 2022</p>	<p>Under discussion</p>
	<p>Fair M&A Guidelines</p>	<ul style="list-style-type: none"> ✓ Clarify the scope of collaborative ownership and promote cooperation between investors
	<p>Established in 2019</p>	<p>Transparency of Substantial Shareholders</p>
	<p>Spin-off Related Tax Reform</p>	<p>Under discussion</p>
	<p>Revised in 2017</p>	

Source: IR Japan

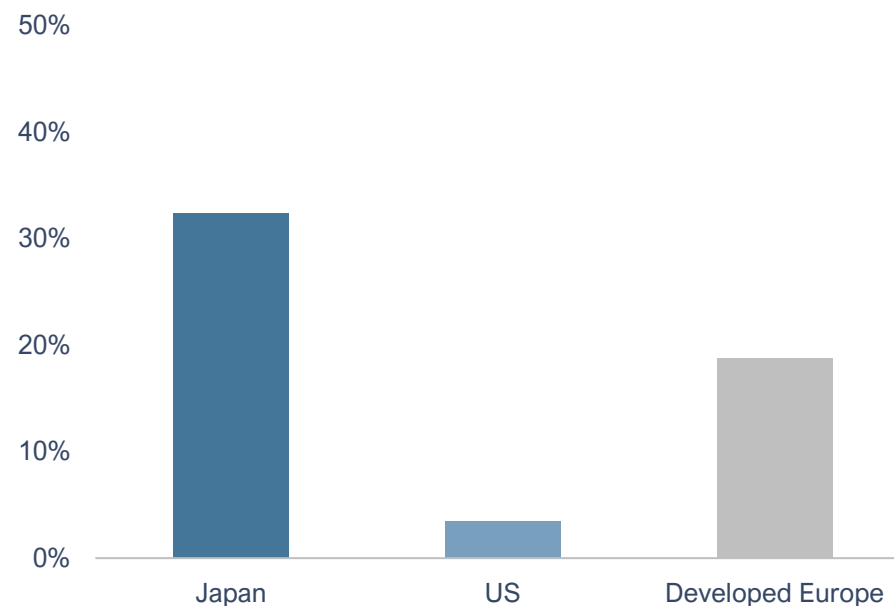
Low Hanging Fruit for ROE and PBR Reform Initiatives

Corporate Japan has material room for improvement in order to reach Global standards on ROE and PBR. The push from the government and regulators for all companies to achieve ROE of 8% and PBR of 1 has the potential to drive strong stock price performance in the Japanese market.

Ratio of companies with ROE lower than 8%



Ratio of companies with PBR lower than 1

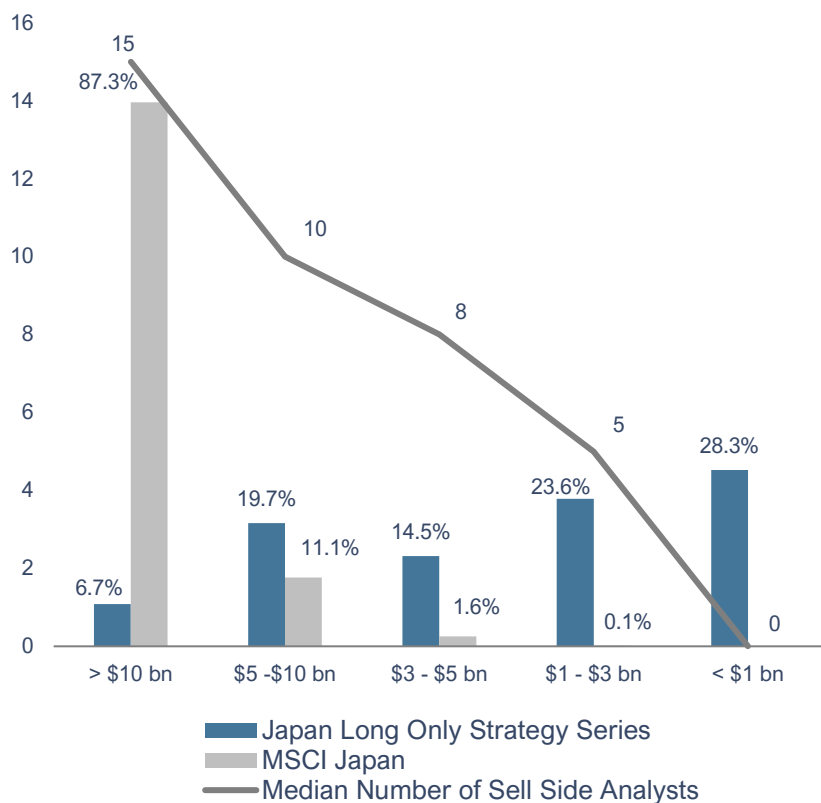


Source: Bloomberg, as of April 2024

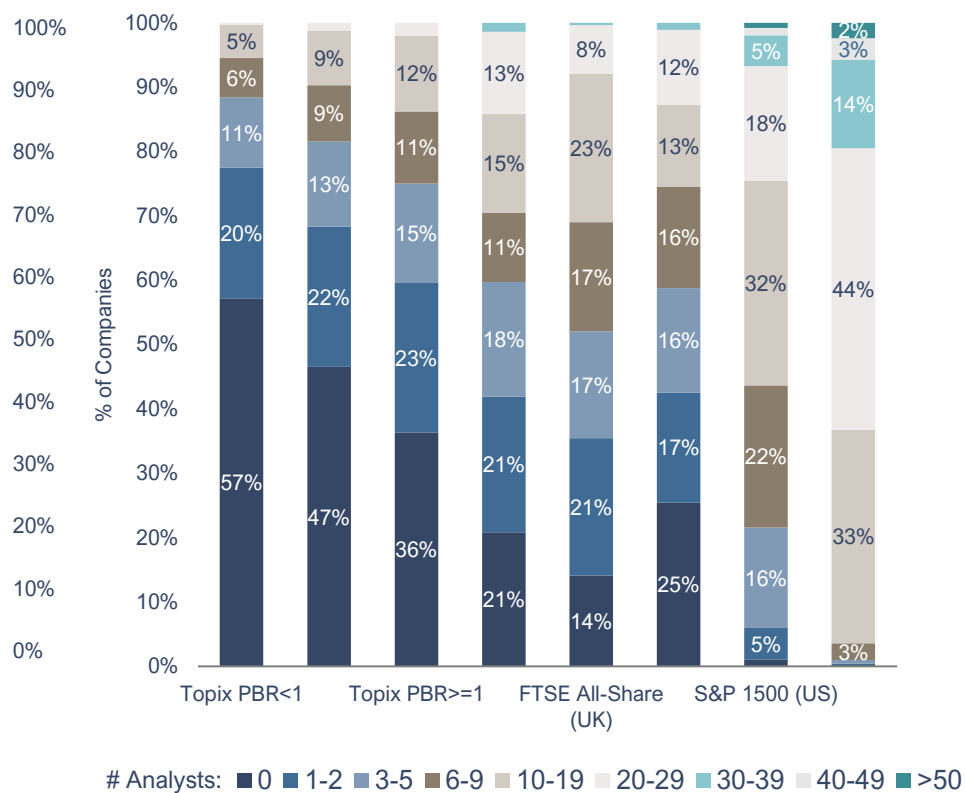
*Charts show results for all stocks listed in the relevant country/region

Japan Small/Mid-Caps PBR <1 of Limited Coverage

Median Number of Sell Side Analysts Covering a Stock (LHS) vs Portfolio & Index Weight by Market Cap (RHS, %)



Analyst Coverage Across Major Markets



Sources: Bloomberg, MSCI, Dalton Investments

TSE to Publish a List of Companies Taking Initiatives in Stock Price Conscious Management

- The Tokyo Stock Exchange (“TSE”) made public a presentation on its intent to publish a list of companies that have disclosed information regarding “**Action to Implement Management That Is Conscious of Cost of Capital and Stock Price**”

Main point of this document	
Publication of a list of companies that have disclosed + Reiterating the purpose of the request	<ul style="list-style-type: none"> ◆ Publish a list of companies that have disclosed information in accordance with the request to inform investors of who is taking action, thereby encouraging companies to make a proactive effort (to be started on January 15, 2024 and updated monthly). ◆ Before publication, listed companies will be reminded of the purpose of the request and points to keep in mind, as well as the fact that the list is to be published (notified to listed companies on October 26, 2023).
Publication of key points from responses/ examples of initiatives	<ul style="list-style-type: none"> ◆ Compile and publish several key points based on responses from investors and examples of initiatives that have been praised by investors for companies of several different sizes and situations. (By January 2024)
Compilation and distribution of companies' response statuses	<ul style="list-style-type: none"> ◆ Compile corporate disclosures and feedback from investors, etc., approximately once every six months. (The next one is scheduled for January 2024)

- The TSE successfully achieved its stated implementation goals, reporting the list of companies which have met its request in January.
- Given the weight of shame culture in Japan, Dalton would have preferred if the TSE published a list of companies which were NOT meeting the TSE’s objectives.

Source: <https://www.jpx.co.jp/english/news/1020/o4sio70000000142-att/o4sio7000000016o.pdf>

Japan Jumps from 2nd from 5th in the ACGA Corporate Governance Rankings For Asia

- The Asian Corporate Governance Association (“ACGA”) ranked Japan 2nd highest based on its most recent Corporate Governance scores.

CG Watch 2023 market rankings and scores (%)

Market	Previous ranking	2023	2020	Change vs 2020 (ppt)
1. Australia	1	75.2	74.7	+0.5
2. Japan	=5	64.6	59.3	+5.3
=3. Singapore	=2	62.9	63.2	-0.3
=3. Taiwan	4	62.8	62.2	+0.6
5. Malaysia	=5	61.5	59.5	+2.0
=6. Hong Kong	=2	59.3	63.5	-4.2
=6. India	7	59.4	58.2	+1.2
8. Korea	9	57.1	52.9	+4.2
9. Thailand	8	53.9	56.6	-2.7
10. China	10	43.7	43.0	+0.7
11. Philippines	11	37.6	39.0	-1.4
12. Indonesia	12	35.7	33.6	+2.1

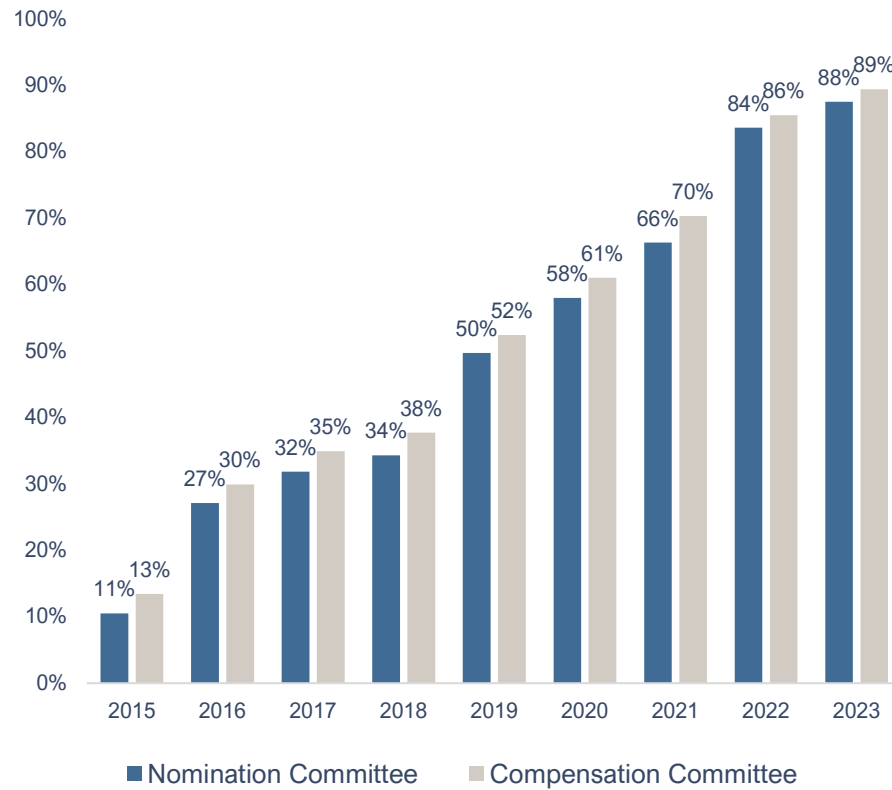
Reasons for improved Japan CG Score

- Continued traction of corporate reform agenda in Japan and positive outlook that continued improvements will occur
- TSE is on a mission to improve shareholder value and diversity and listed companies are starting to show real change as activism continues to evolve

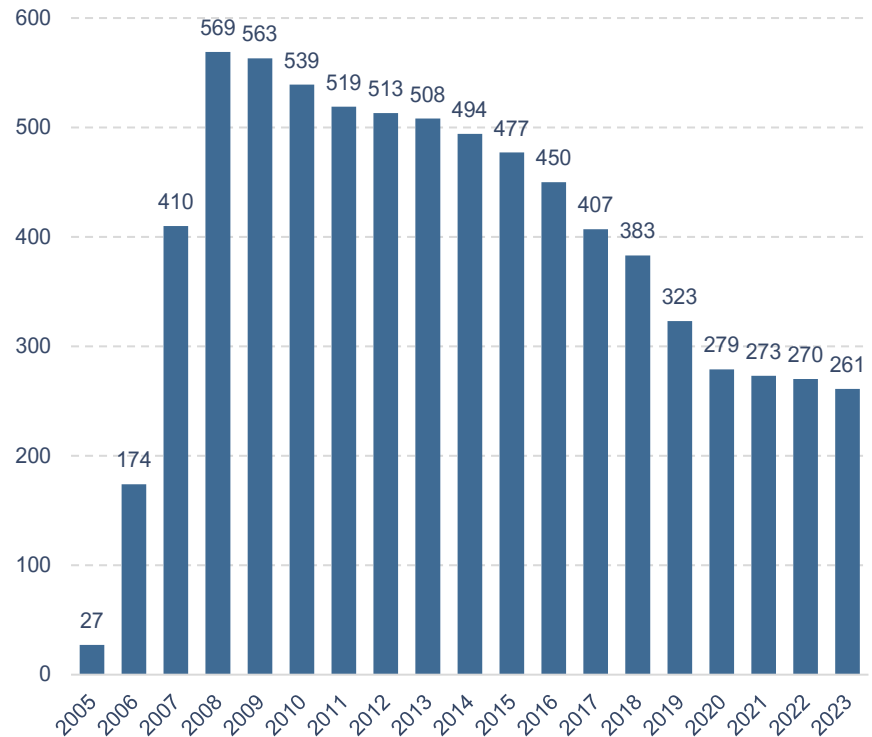
Source: <https://www.acga-asia.org/pdf/cg-watch-2023-overview-report>

Corporate Governance Reform Continues to Gain Traction

Increased Independent Oversight
% Section 1 Stocks of the Tokyo Stock Exchange



Reduced Anti-takeover Measures

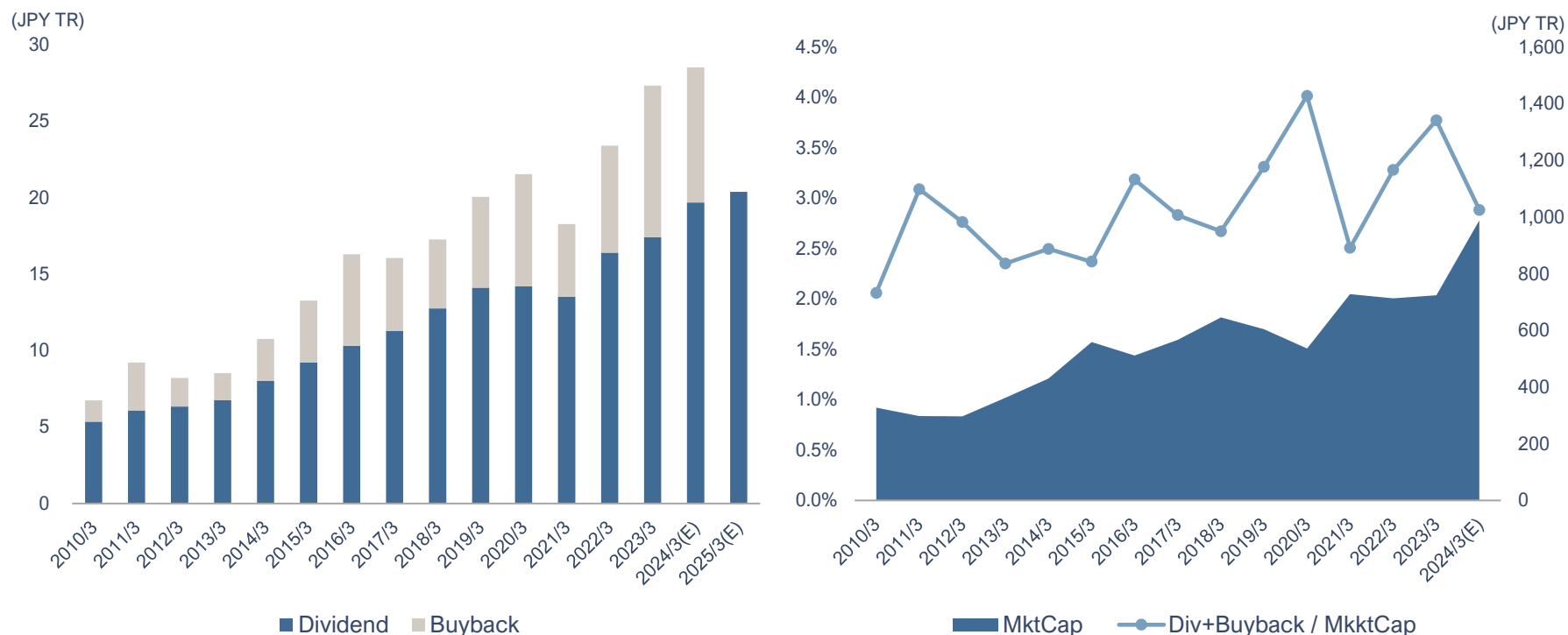


Source: Mizuho based on FSA and TSE

Source: Nomura, based on companies disclosure

Capital Allocation Practices are Changing in Japan

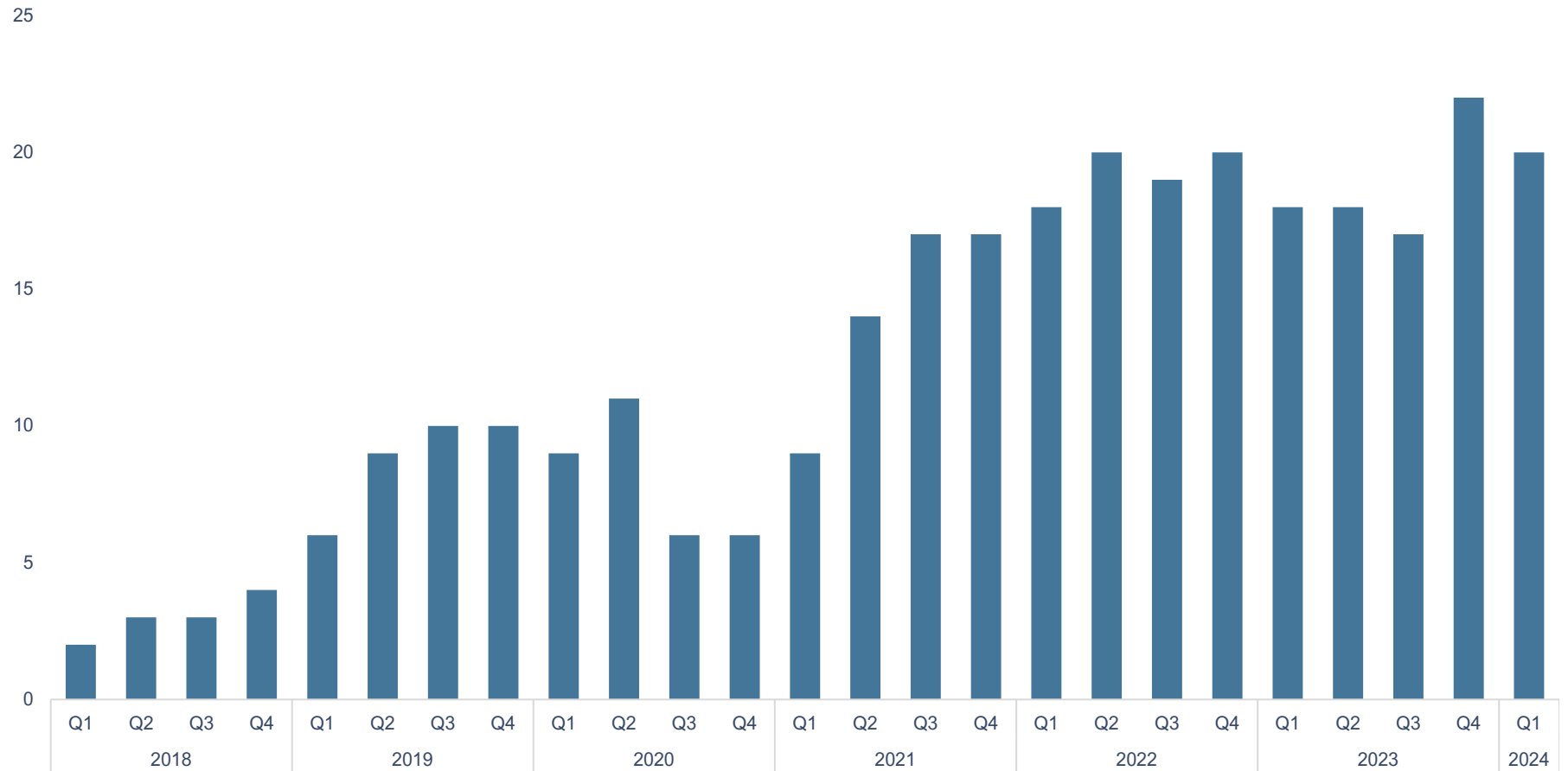
Return to shareholders has increased faster than the rise in equity markets, except for an unusual FY2020, averaging a yield of 3.0% since FY2019.



Note: FY2024(E) forecasts are results for firms that have announced results and Toyo Keizai estimates for firms that have not announced results and have not disclosed company projections.
Source: QUICK, SMBC Nikko Securities.

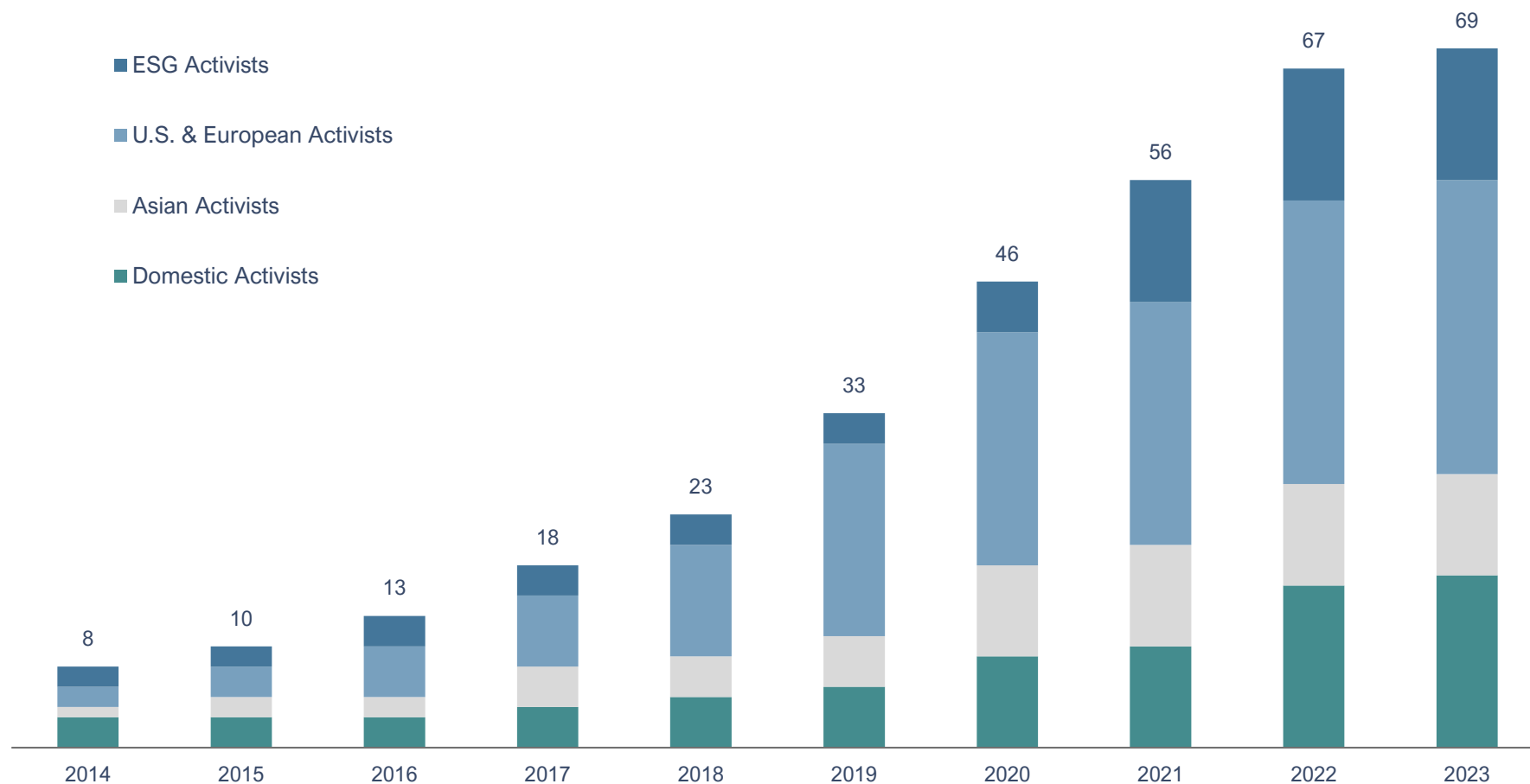
Improving Capital Allocation of Dalton Japan Holdings*

Number of active buyback programs among portfolio companies



*Data reflects Japanese equity holdings actively held across all Dalton portfolios as of 03/31/24.

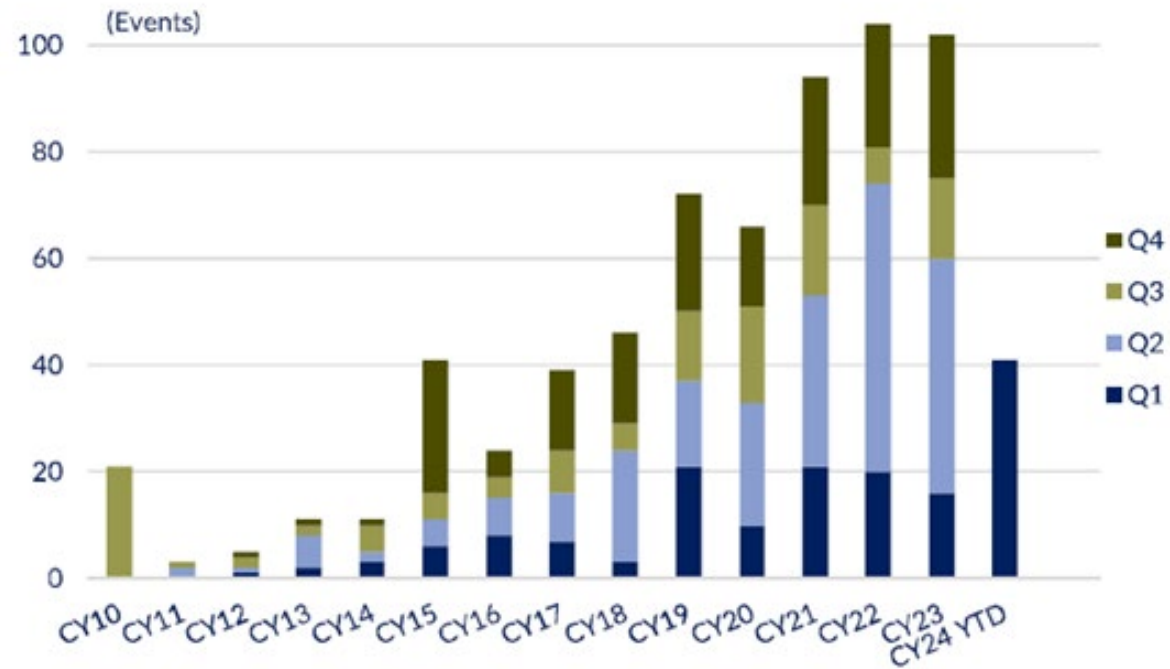
Number of Activist Funds Active in Japan



As of June 30, 2023
Source: Data collected by IR Japan

Activist Events are on Track for a New Record in 2024

Activist events in Japan in Q1 are up 156% YoY and already at 40% of last year's total

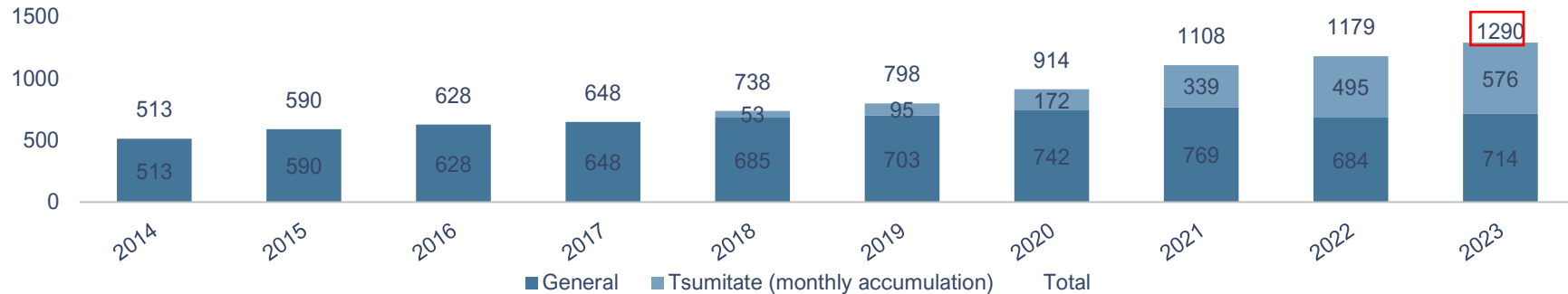


Sources: CLSA, Bloomberg

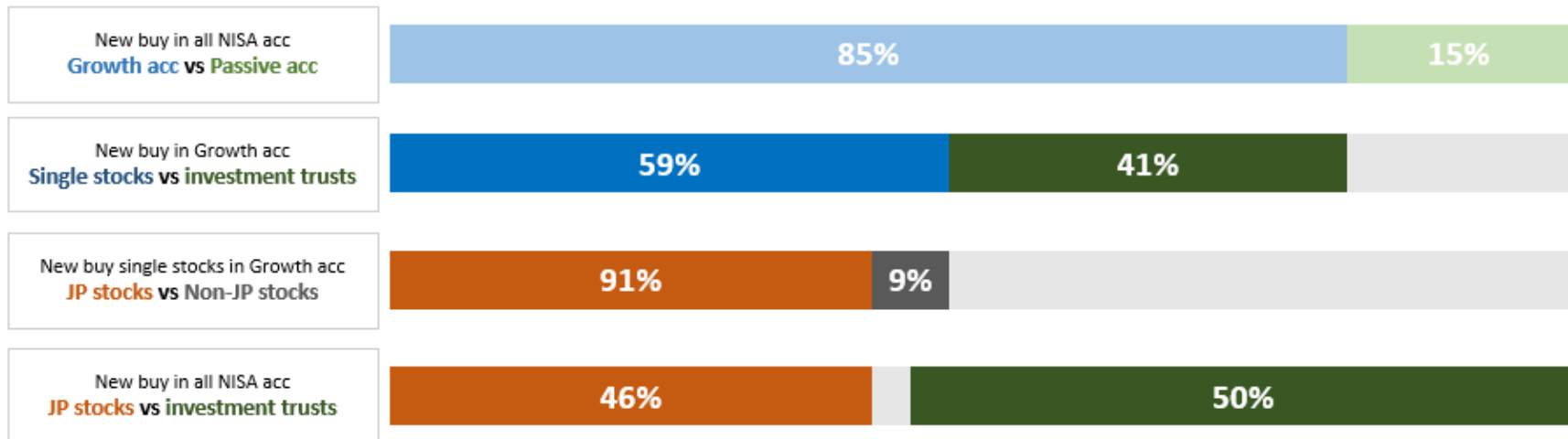
Historic Number of Japanese Investors are Investing Locally

The Number of Tax Advantaged Retail Investment Accounts is at an All Time High in Japan

NISA accounts (in 10,000 units)



- Based on a recent report from JSDA, 46% of aggregate NISA flows in January and February went to Japanese equities with a split of 50% going to single name stocks and 50% going to trusts/mutual funds, and of the single name stocks, 91% were going to Japanese equities.



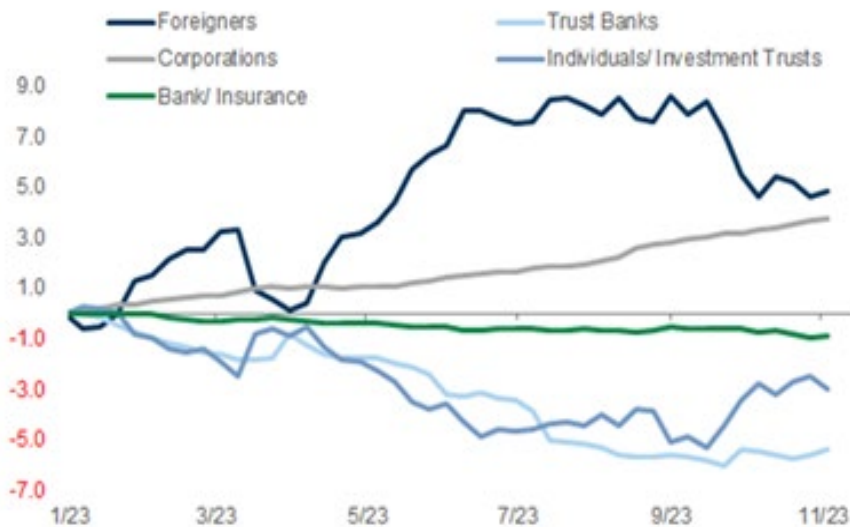
Source <https://www.jsda.or.jp/shiryoshitsu/toukei/files/nisajoukyou/nisaall.pdf> [jsda.or.jp]; JSDA

Domestic Investors Could Become Net Buyers of Japanese Equities in 2024 Due To Increase Participation

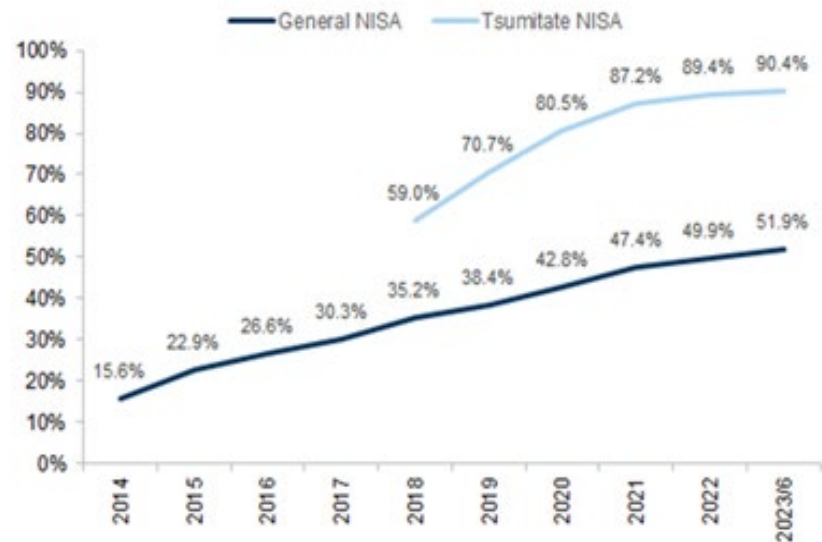
- Japanese investors have historically been underweight Japanese equities.
- Recent changes to NISA retirement accounts should bring in new investors with a potential appetite for higher returns from equities.

Individual domestic investors could turn to net buyers in 2024 with the new NISA launch

Cash and futures equity transactions by investor type, JPY



Percentage of NISA account openers with no previous investment experience



Source: Japan Exchange Group

Source: JSDA

Leveraging a Wide Toolbox: From Friendly Engagement to Activism

Private Engagement

- Management meetings
- Engagement with large shareholders
 - Private letters / presentations
- Presenting the board with draft shareholder proposals (and negotiating)

Public Engagement

- Shareholder proposals
- Collective engagement with other large shareholders
 - Public letters/presentations
- Media engagement

Escalation

- Proxy contests
- Public MBO proposals
- Public bids (subject to financing/board approval)
 - Tender offer bids

Summary of Dalton Engagement Activities in Japan

We have engaged directly with 35 of 47* companies across our Japanese portfolio companies.

Engagement Activities	Total Engagement
Companies with whom we engaged	33
Total number of board proposals made	125
Total number of proposals implemented**	65

Types of Proposals	Total Engagement
Capital Allocation (stock repurchase/dividend increase, etc.)	33
Executive Compensation (stock compensation)	25
Board Seat/Outside Director	10
Cancellation of Treasury Stock	4
Corporate Restructuring	4
Other	49

Data as of 3/31/2024

*Includes positions held in other Dalton Japan equity strategies. Engagement activities are measured since the beginning of Dalton's investment in each company

**Proposals implemented include capital allocation (30), cancellation of treasury stock (4), other (21), executive compensation (6), board seat/outside director (3)

III. Longchamp Dalton Japan Long Only UCITS Fund

Roles

Longchamp Asset Management ("Longchamp AM") as Investment Manager

- ▶ **Assets distributed and under Management:** Approximately \$1.7bn of assets managed and advised as of 31 March 2024
- ▶ **Investment Manager:**
 - Validation of the Fund's Net Asset Value
 - Production of legal documentation
 - Marketing and sales of the Fund
- ▶ **Risk Manager:**
 - Post-trade monitoring of the Fund portfolio to detect any breaches of UCITS regulations and Investment Management Agreement
 - Periodic trade monitoring/reconciliation to detect discrepancies with administrator NAV data
 - Periodic review of Fund's Investment Objectives and Policies

Dalton Investments ("Dalton") as Delegated Investment Manager

- ▶ **Delegated Investment Manager**
 - Responsible for the allocation of equities, money market and bonds instruments
 - Discretionary investment decisions
 - Risk management: responsible for pre-trade monitoring and compliance with the Investment Objectives, Policies and Restrictions with the Regulations in accordance with the Investment Management Agreement
- ▶ **Assets under Management:** Approximately \$4.4 bn as of 31 March 2024*
 - Offices in Los Angeles, Las Vegas, New York, Tokyo, Hong Kong, Mumbai, and Sydney.

*Performance results and assets under management figures presented are preliminary, unaudited, subject to change and do not constitute Dalton's standard books and records. Accordingly, no representation or warranty applies.

Longchamp Dalton Japan Long Only UCITS Fund Strategy

Margin of Safety

- Disciplined application of the four mantras is the strongest line of defense against permanent loss of capital
- In depth research mitigates downside risk as Dalton seeks to invest in securities trading below their proprietary intrinsic value

Portfolio Construction

- 30-50 positions
- Position limit: 5% of NAV at purchase, 10% of NAV
- No leverage (maximum net long exposure limited to 100% of NAV)
- Stocks typically > \$1bn market cap with some flexibility for stocks \$ 0.5-1bn at time of purchase
- Industry / sector weights determined by stock selection
- Cash is residual to investment process (~0 to 10%)

Sell Discipline

- Rigorously reducing positions when investment opportunity is no longer attractive
- No mechanical stop-loss triggers, soft stop loss reviews are conducted weekly or when there is more than a 20% adverse price movement
- Risk process mandates a thorough review after a material decline
- Risk systems highlight material declines to all investment team members and senior management

Mandate / Liquidity Considerations

- Liquidity is monitored at the portfolio and firm level
- Stress testing portfolios around bull, bear and base case scenarios help the team to understand the resilience of Dalton's valuation models

ESG

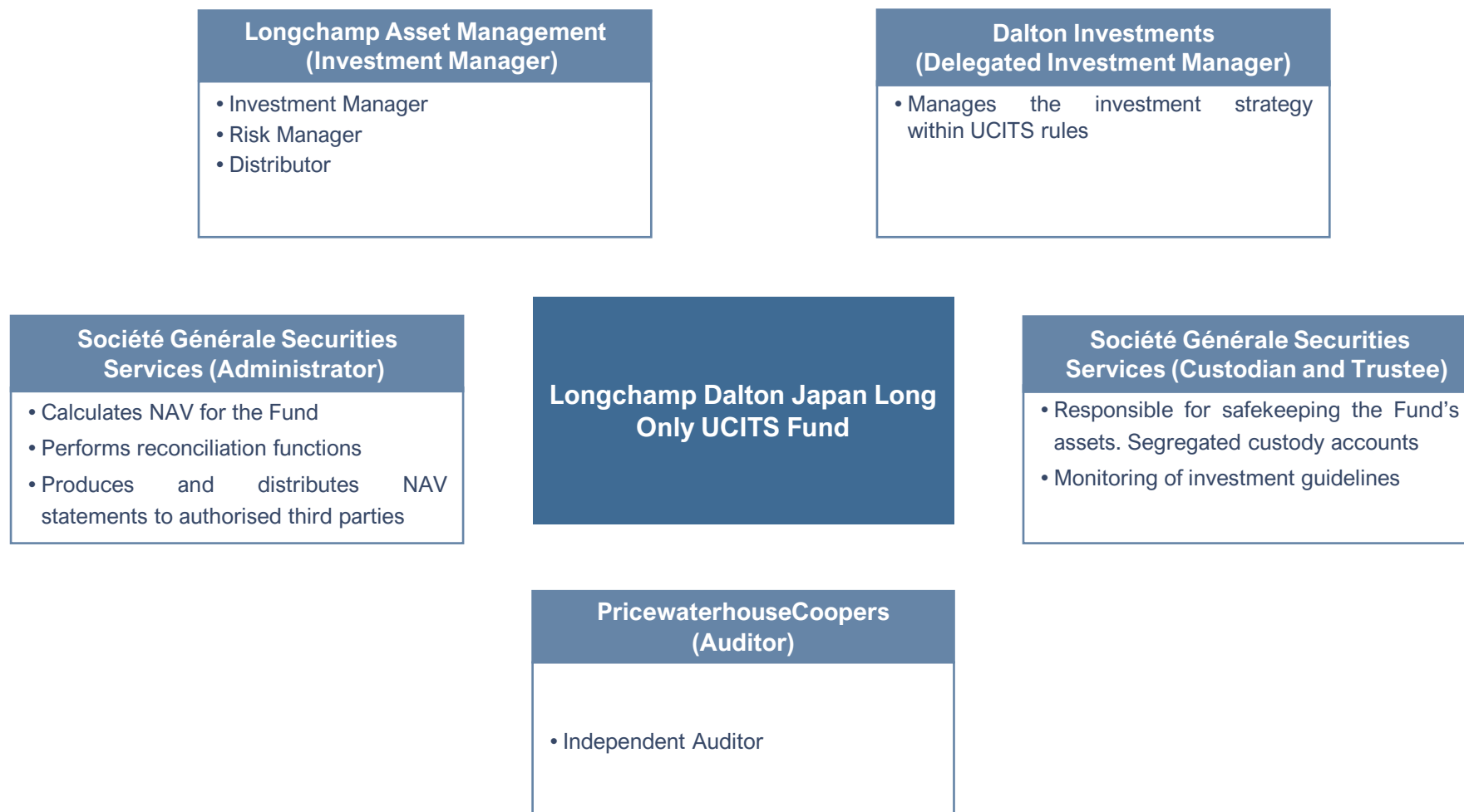
- Detailed ESG reviews of each portfolio position are part of the investment process, including a minimum ESG standard for any new positions

Engagement

- Active engagement is key in preserving capital over the long-term

The descriptions above reflect typical investment features of portfolio positions. There are no guarantees that a portfolio position will have these particular characteristics or that all risks can be identified or mitigated.

Overview of the Fund's Structure



Longchamp Dalton Japan Long Only UCITS Fund Details

Fund	Longchamp Dalton Japan Long Only UCITS Fund
Investment Strategy	Long Only Japanese Equity
Investment Manager	Longchamp Asset Management
Delegated Investment Manager	Dalton Investments Inc.
Legal Structure	UCITS Sub-Fund of the Longchamp SICAV
Domicile	France
SFDR Classification	Article 8
Dealing Day ("DD")	Daily
Subscription/Redemption Deadline	Subscriptions: 12 midday Paris time 2 BDs prior to the relevant DD Redemptions: 12 midday Paris time 3 BDs prior to the relevant DD
Settlement	Payment (cash) and delivery (shares/units) shall occur within 3 BDs following the relevant Dealing Day (DD+3BDs)
Launch Date	13 July 2018
Reference Currency	EUR
Share Classes	Accumulation
Benchmark	MSCI Daily Total Return Net Japan Index (MSCI Japan EUR, symbol: MSDEJNN / MSCI Japan 100% Hedged to EUR, symbol: MXJPHEUR)

Classes	Management Fees ¹	Performance Fees	Minimum Initial Subscription	Initial Charge	ISINs	BBG Tickers
Class SUH (Unhedged)	0.25%	25% > benchmark	€ 10,000,000	Up to 5%	FR0013321957	DJLOSUH FP
Class I1UH (Unhedged)	1.50%	0%	€ 1,000	0%	FR0013321965	DJLOI1U FP
Class I2UH (Unhedged)	0.75%	25% > benchmark	€ 1,000	0%	FR0013321999	DJLOI2U FP
Class SI1UH (Unhedged)	0.75% max	25% > benchmark	€ 1,000,000	Up to 5%	FR001400M9C6	DJLOSI1 FP
Class SI1UHEA (Unhedged)	1.50% max	0%	€ 1,000,000	Up to 5%	FR0013456357	DJLOSEA FP
Class SI1UHGA (Unhedged)	1.50% max	0%	£ 1,000,000	Up to 5%	FR0013456365	DJLOSGA FP
Class SI1UHUA (Unhedged)	1.50% max	0%	\$ 1,000,000	Up to 5%	FR0013456381	DJLOSUA FP
Class SI1UHGD (Unhedged)	1.50% max	0%	£ 1,000,000	Up to 5%	FR0013456407	DJLOSGI FP
Class SI1H (Hedged)	1.70% max	0%	€ 1,000,000	Up to 5%	FR0013456415	DJLOSHA FP
Class R2UH (Unhedged)	1.35%	25% > benchmark	€ 1,000,000	0%	FR0013532926	DJLOR2U FP

¹Includes external administrative fees expected to represent 0.25% p.a.

Appendix

Dalton Infrastructure

Effective 31 March 2024

Founders

Belita Ong (22/43) – Chairman* †
James B. Rosenwald III (26/43) – Chief Investment Officer*
Steven Persky (26/43) – Co-Founder* †
Gifford Combs (25/41) – Senior Portfolio Manager*

Management Committee

Sarah Alfandari (4/17) – Chief Executive Officer and President* †
Janet Hunpadongrat (17/17) – Chief Operating Officer and Chief Financial Officer* †
Iain Douglas (7/17) – Chief Marketing Officer*
Craig Mercer (8/25) – Chief Research Officer & Chief Sustainability Officer* †
Christopher Ha (6/19) – Chief Compliance Officer and Counsel*†

Infrastructure

Marketing & Relationship Management

Bart Maeda (17/33) – Managing Director
Adam Woodward (9/19) – Director*
Caitlin Tesoriero (8/13) – Sr. Associate
Tranisha Harris (1/10) – Marketing Associate

Operations & Finance

Christopher Wu (5/15) – Director of Tax and Controller
Ryo Toyoda (9/12) – Director of Operations and IT*
Gilbert Fuentes (9/12) – Accounting Manager
Ricardo Silva (9/21) – Sr. Accounting Associate
Matilde Solorzano (6/9) – Sr. Accounting Associate
Ithonya Fry (4/5) – Staff Accountant
Steven Kayo (1/3) – Operations Associate
Megumi Maruta (23/23) – Compliance Officer

* Partner

† Members of the Risk Management Committee
(Years of experience firm/industry)

Step 1 - Idea Generation

Qualitative Idea Generation

- Ideas generated through ongoing company interaction, bottom-up research and market knowledge
- This includes identifying names where there are strong or increasing alignment of interests
- Dalton focuses on identifying companies with encouraging growth dynamics, strong long-term growth potential and attractive competitive positioning
- The analyst team's research drives the bulk of their idea generation

Periodic Screens

- Dalton conducts systematic screening based on Dalton's four mantras
- Screens are based on quantitative financial metrics e.g. P/B, Fwd P/E, EV/EBITDA, Dividend Yield, ROIC
- Screens are run periodically to keep ideas fresh and understand the scope of the opportunity
- Screens are led by the Chief Research Officer and are tailored to specific markets

Example: Japan Valuation Screen

Company	Market Cap (\$bn)	P/E (FY0)	P/E (FY1)	P/B	EV/EBIT DA (FY0)	ROIC – 5 Year Ave. (%)
TS Tech Co Ltd	1.1	10.9	8.8	1.5	5.0	11.7
Nikon Corp	3.7	13.4	10.8	4.1	5.3	14.1
Shimamura Co Ltd	2.7	132.5	14.6	1.6	5.3	16.2
Showa Denko KK	0.9	7.6	6.8	1.2	7.1	15.6
Tosoh Corp	2.4	24.4	29.3	2.4	8.7	12.3
Zeon Corp	1.4	15.3	12.3	3.3	9.6	17.9
Ube Industries Ltd	0.7	29.2	14.0	1.8	10.2	10.6
Kuraray Co Ltd	0.5	14.2	11.6	2.5	10.3	11.6
Asahi Kasei Corp	2.6	17.9	17.6	4.2	11.7	20.7
Daicel Corp	2.6	15.0	11.8	4.0	12.8	18.4
Denka Co Ltd	2.6	17.2	14.4	3.9	13.0	17.8
Denso Corp	31.2	129.5	12.6	1.7	5.4	17.2

Screen example for illustrative purposes only. Please note that the case studies are included herein to convey Dalton's thought process and approach in analyzing investment opportunities and are not indicative of performance for any actual Dalton account. The actual performance of the position is not relevant disclosure and should be disregarded given that the aggregate performance of an account/portfolio can be materially different. Further, it should not be assumed that future investments will be profitable or will equal performance discussed in these case studies.

Step 2 - Due Diligence & Company Meetings

Due Diligence, Research & Financials

- Build a model of intrinsic value and compare to relevant peers
- Establish direct contact with company management, division heads, competitors, suppliers, customers, etc.
- Engage in group discussion to refine understanding of the company and its competitive position
- Prepare investment thesis using Dalton's Investment Checklist
- Share investment thesis and valuation model with the team

Disciplined Modelling & Documentation

Crystal International (2232 HK)

THE COMPANY
 Largest apparel OEM by volume (1.4% global share) and the second largest by value (1.1% global share). One-stop value added supplier for top global brands. Gaining share as the industry consolidates.

Market Cap	\$7.0B USD	P/B (Avg PE)	1.1x
Share Price	5.47 HKD	P/E	11x
Rev	\$2.18B USD (H21)	EV/EBIT	11x
Pre profit	\$703.6M USD	Pre Profit Margin	31.8%
Net Profit	\$143.4M USD	Net Profit Margin	6.6%
EPS	\$0.04	EPS Growth	22.2%
DCF	\$1.034	DCF	\$8.1

INVESTMENT THESIS, VALUATION AND CAPITAL ALLOCATION

- Industry leader consolidating fragmented market. CEO expects high long-term growth.
 - Active in the consolidation for brand control due to its diverse capabilities across product lines and retail network.
 - Customers derive consolidation among suppliers in order to save complexity and Capital is well positioned to cross sell and increase penetration.
 - Adds value vertically through "verticalization" process starting from product design and production to manufacturing and delivery.
 - Controls the assembly, increased penetration with top customers, new no. or old only 4% penetration with several large customers including H&M, Gap, L. Brands with room for further increase. CEO would like to reach 30% penetration with 1000 customers.
 - Long-term growth of 10-15% in 2018 and thereafter.
 - Long-term growth with 10% per year operating history and 15 years of production in SE Asia.
 - 20+ year relationship with top customers.

BUSINESS ANALYSIS

- Company is 30% factory, 70% retail.
 - Revenue is 75% in China and 25% in other countries.
 - The 2018 revenue is 1.1B USD and profit is 100 million USD.
 - The 2018 revenue is 1.1B USD and profit is 100 million USD.
 - The 2018 revenue is 1.1B USD and profit is 100 million USD.

RISKS

- Heavy dependence on H&M, Gap and L. Brands.
- The 2018 revenue is 1.1B USD and profit is 100 million USD.
- The 2018 revenue is 1.1B USD and profit is 100 million USD.
- The 2018 revenue is 1.1B USD and profit is 100 million USD.

Steps 4 & 5 - Debate and Recommendation

Internal Challenge and Portfolio Construction

- Completed research provided to team for internal debate and discussion
- Team plays 'Devil's Advocate' against the investment case
- Identify information gaps
- Consider risk/reward impact of adding position to existing portfolios
- Arrange for the portfolio manager to meet owner/operator to assess strategic vision, motivation, etc.

Trade Recommendation

- Consider impact on portfolio construction
- Recommend position size
- Assess which accounts are appropriate for adding position
- Identify any sales needed to raise cash and/or manage risk
- Provide guidance on limit price, timing and estimated fair value
- Provide key documentation and summary recommendation to Portfolio Manager for consideration

Step 6 - Engagement

Engagement has multiple facets

- Capital Allocation (stock repurchase/dividend increase, etc.)
- Executive Compensation (stock compensation)
- Board Seat/Outside Director
- Cancellation of Treasury Stock
- Corporate Restructuring
- ESG disclosures and policies

Note that:

- Dalton is signatory of PRI and the Japan and Korean stewardship codes
- More details on their Sustainable Investment Policy can be found on their website

Current Portfolio Engagement

- Dalton has engaged directly with 35 of 47* companies across their Japanese portfolio companies
- Across their Asian and emerging markets portfolios they have engaged constructively with several companies
- Their engagement activities in Japan have included: capital allocation (37), cancellation of treasury stock (4), other (52), executive compensation (11), and board structure (24).

Japanese Engagement Activities	Total Engagement
Companies with whom Dalton engaged	35
Total number of board proposals made	132
Total number of proposals implemented*	76

*Includes positions held in other Dalton Japan equity strategies. Engagement activities are measured since the beginning of Dalton's investment in each company

Investment Example - Sanwa Holdings (5929 JP)

Value Proposition

Sanwa is a global company that operates shutters and peripheral businesses in 25 countries around the world. Sanwa has the global top share in the non-residential shutter market. The breakdown of sales by region is 55% in Japan, 30% in North America, and 20% in Europe. Also, Sanwa sets its own evaluation targets to increase shareholder value and is conscious of capital efficiency and capital cost. SVA (Net Operating Profit after tax – Invested capital x WACC(6%)) and ROIC are the targets of the medium-term plan.

Firm Characteristics

Industry	Building Products
Region	Japan
Market Cap	USD 3.5 billion

Stock Fundamentals

P/B	1.8x
EV/EBITDA	5.7x
Dividend Yield	2.6%

Good Business

- Sanwa has a 50% share of the Japanese shutter market and has a 30% share in the North American industrial door market. Sanwa can control the selling price by looking at the situation of supply and demand environment, and it is also possible to pass the increase in the material price to the selling price.
- Sanwa is expected to improve profitability in the future because maintenance service sales are increasing steadily. Maintenance services are the most profitable of all businesses.
- 30% of all sales are products for responding to climate change and disaster prevention, and Sanwa is also actively working for ESG.

Alignment of Interest

- The founding family owns 4.1 billion yen, which is 1% of the total shares outstanding. Mr. Takayama, the son of the founder, is the chairman. The eldest son of the Chairman is the President, and the second eldest son of the Chairman is a Director.
- Sanwa has adopted a restricted stock compensation plan. Sanwa also discloses its stock ownership guidelines for each director.

Margin of Safety

- Current EV / EBITDA is 5.7 times, which is a low level when viewed from past trends.
- PBR is 1.8x and PER is 12x.

Capital Allocation

- Sanwa operates with SVA (Sanwa Value Added) and ROIC as KPIs.
- The target dividend policy is a payout ratio of 40%. Also, Sanwa disclosed concrete amounts for shareholder return measures, including share buybacks, and Sanwa committed to future share buybacks.

Source: Company Reports; Bloomberg

Please note that the case studies are included herein to convey Dalton's thought process and approach in analyzing investment opportunities and are not indicative of performance for any actual Dalton account. The actual performance of the position is not relevant disclosure and should be disregarded given that the aggregate performance of an account/portfolio can be materially different. Further, it should not be assumed that future investments will be profitable or will equal performance discussed in these case studies.

Investment Example - Rinnai Corp (5947 JP)

Firm Description

Rinnai is a comprehensive maker of heating equipment with high-energy-efficiency standards. Its mission is to develop and provide products matched to diverse approaches to living that are different by country and region.

Firm Characteristics

Industry	Consumer Discretionary
Region	Japan
Market Cap	USD 3.4 billion

Stock Fundamentals

P/B Ratio	1.3x
EV/EBITDA	7.4x
Dividend Yield	1.8%

Good Business

- Rinnai has a global brand for safe, durable, and energy-efficient heating equipment, supported by its technologies for combustion and heat exchange, fluid control, and electronic control, etc.
- Rinnai has a stable business with strict regulations that tend to prevent new entrants.
- Approximately 80% of sales come from replacements.
- Rinnai is a market leader in various countries such as Japan, USA, China, Australia, Indonesia, etc.

Margin of Safety

- The business, which has never recorded an operating loss, averaged ROIC of 21.5% over the past 10 years.
- Net cash accounts for 42% of market capitalization.
- The company trades at 7.4x EV/EBITDA, which is at a substantial discount to our conservative estimation of intrinsic value.

Alignment of Interest

- Mr. Hayashi, Chairman, and Mr. Naito, CEO, both from the founding families, own 6% and 16%, respectively.

Dalton Engagement

- Dalton has been regularly engaged with management pushing for improvement in capital allocation through meetings, letters, presentations, workshops, etc.

Source: Company Reports; Bloomberg, Dalton Analysis

Please note that the case studies are included herein to convey Dalton's thought process and approach in analyzing investment opportunities and are not indicative of performance for any actual Dalton account. The actual performance of the position is not relevant disclosure and should be disregarded given that the aggregate performance of an account/portfolio can be materially different. Further, it should not be assumed that future investments will be profitable or will equal performance discussed in these case studies.

Pre-Event Example - Toyota Industries (6201 JP)

Value Proposition

Toyota Industries Corporation, known as "the origin of the Toyota Group," is a manufacturer of industrial vehicles such as forklifts and also a logistics solutions provider. Most of the profits are explained by the forklift truck business, which has the largest market share in the world (20% global market share and nearly 50% in Japan).

Firm Characteristics

Industry	Manufacturing
Region	Japan
Market Cap	USD 35.7 billion

Stock Fundamentals

P/B	0.8x
EV/EBITDA	3.3x
Dividend Yield	2.3%

Good Business

- The Global No.1 manufacturer of forklift trucks. While hardware sales are susceptible to economic fluctuations, the after-sales service business is a stable stock-type business with higher profit margins than the hardware business. It can be said that it has characteristics in common with elevators and printers.

Alignment of Interest

- The chairman from the Toyoda family owns \$45 million of company stock.
- The ownership of directors other than the chairman is inadequate, so we see this as one of our engagement agendas.

Margin of Safety

- The company is another example of "Below 1x PBR" under TSE pressure. Improvement of capital efficiency should be addressed.
- 30% upside based on our SOTP analysis + huge room of improvement in the capital allocation including (1) unwinding cross-shareholdings, (2) off-balance dead related the sales finance businesses, and (3) share buyback using.

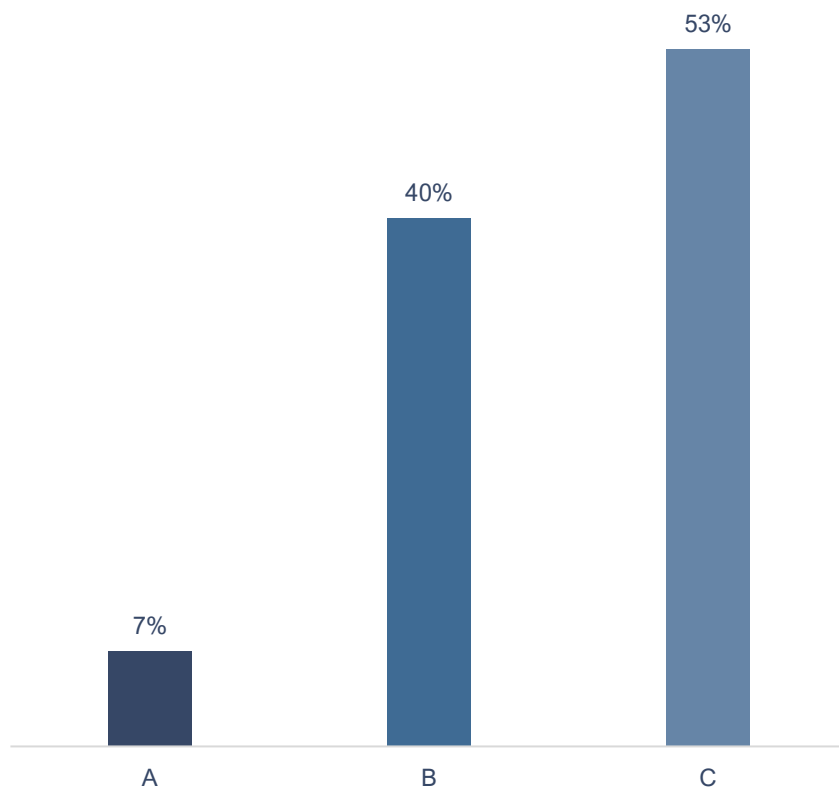
Source: Company Reports; Bloomberg

Please note that the case studies are included herein to convey Dalton's thought process and approach in analyzing investment opportunities and are not indicative of performance for any actual Dalton account. The actual performance of the position is not relevant disclosure and should be disregarded given that the aggregate performance of an account/portfolio can be materially different. Further, it should not be assumed that future investments will be profitable or will equal performance discussed in these case studies.

Portfolio ESG Analysis

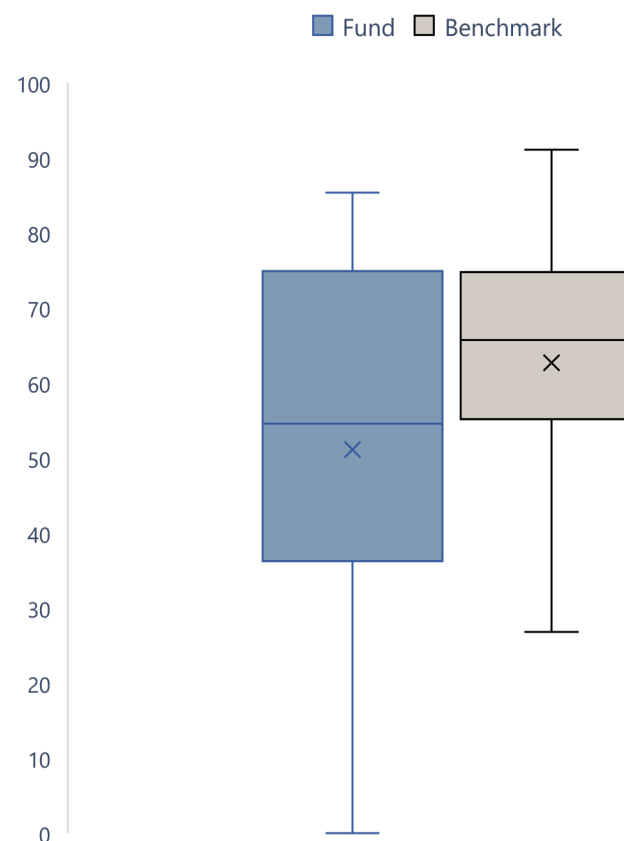
Rating Distribution by NAV Exposure (Pro rata long portfolio)

(A = High Quality practices, B = Moderate Quality Practices, C = Low Quality Practices, D = Review Requested)



ESG Score: Distribution of Scores (Long Positions)

Dalton Japan UCITS Fund vs. MSCI Japan Index
(0 = worst in class 100 = best in class)



Source: Dalton Investments internal analysis. Refinitiv. As at end March 2024.

The Delegated Investment Manager takes environmental, social and governance (ESG) criteria into account in investment decisions among others; however, sizing of individual positions is based on a larger scope of criteria than ESG only.

Portfolio ESG Analysis

Key Notes

- Asset4's data coverage in the Asia Pacific region covers over 300 companies in the MSCI Japan Index
- Only 93% of Dalton's positions have data coverage by Asset4. As such the data comparison with the index can be misleading.
- For definition of the ESG Score methodology of Thomson Reuters (Refinitiv) Asset4, see the disclosures below*.
- While Dalton is mindful of the external data, it is aware that its investment focus means coverage of their investments will be limited
- Dalton currently has no exposure to Tobacco, Armaments, Cluster Munitions, Landmines and Thermal Coal

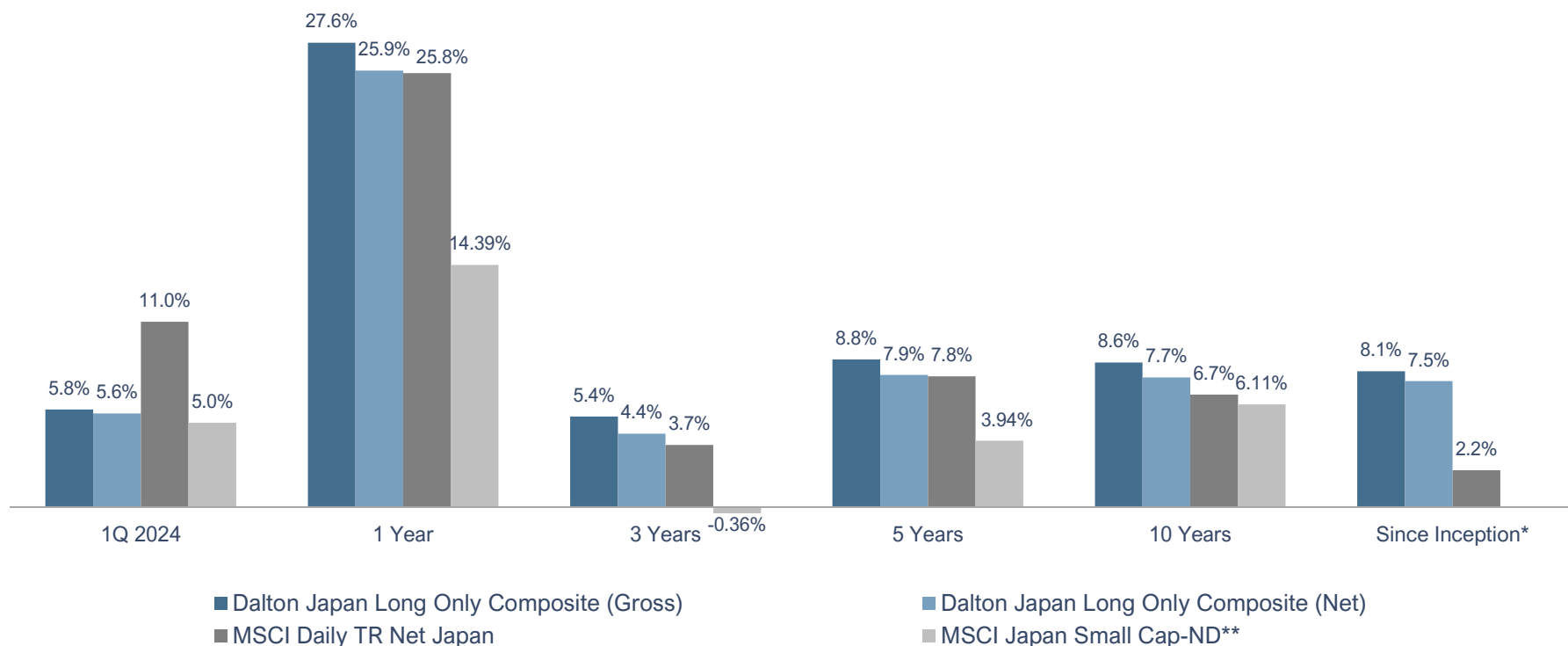
*ESG Score: Thomson Reuters captures and calculates over 400 company-level ESG measures, of which they have selected a subset of 178 most comparable and relevant fields to power the overall company assessment and scoring process. The underlying measures are based on considerations around comparability, data availability, and industry relevance. They are grouped into 6 categories. The 6 categories weighted proportionately to the count of measures within each category formulates the final ESG Score. The ESG Score is based on a percentile rank, with 100 representing best in class and 0 worst in class. ESG Controversies Score: ESG controversies category score measures a company's exposure to environmental, social and governance controversies and negative events reflected in global media.

The Delegated Investment Manager takes environmental, social and governance (ESG) criteria into account in investment decisions among others; however, sizing of individual positions is based on a larger scope of criteria than ESG only.

Dalton Japan Long Only GIPS Composite

Annualized Returns (Gross and Net of Fees) as of 31 March 2024

Dalton Japan Long Only Composite (USD)



*Inception date of the Dalton Japan Long Only Composite is July 1, 1996.

**Inception date of the MSCI Japan Small Cap-ND Index is January 1, 1999. The performance of the MSCI Japan Small Cap Index thus is not being presented for the “since inception” portion of the graph above. Past performance is no guarantee of future results.

All investments involve risk including the loss of principal. Performance related data herein is supplemental to Dalton’s GIPS presentation, which is provided on the final pages hereto.

GIPS Composite and Performance Disclosures

Dalton Japan Long Only Composite (1 July 1996 through 31 December 2022)

Year	Gross-of-Fees Return* (%)	Benchmark Return† (%)	Composite 3-Yr St Dev (%)	Benchmark 3-Yr St Dev (%)	Number of Portfolios	Internal Dispersion (%)	Total Composite Assets (JPY)	Total Composite Assets (USD)	Total Firm Assets (JPY)	Total Firm Assets (USD)
1996	-2.03%	-11.46%	N/A	N/A	1	N/A	2.2B	19.1M	N/A	N/A
1997	-1.15%	-14.00%	N/A	N/A	1	N/A	2.3B	17.6M	N/A	N/A
1998	-0.22%	-8.61%	N/A	N/A	1	N/A	2.3B	20.5M	N/A	N/A
1999	95.88%	45.38%	23.89%	19.01%	1	N/A	6.3B	61.2M	8.6B	0.1B
2000	-13.82%	-19.48%	24.45%	18.37%	1	N/A	6.3B	54.9M	15.0B	0.1B
2001	-12.15%	-18.96%	25.41%	17.19%	1	N/A	7.1B	53.9M	15.5B	0.1B
2002	-27.32%	-19.00%	22.32%	15.12%	1	N/A	6.8B	57.5M	18.7B	0.2B
2003	25.92%	23.01%	22.63%	16.41%	1	N/A	14.4B	133.9M	32.1B	0.3B
2004	15.67%	10.51%	17.36%	15.38%	2	N/A	24.5B	238.7M	73.1B	0.7B
2005	48.84%	44.45%	13.34%	14.39%	4	N/A	52.3B	444.2M	133.2B	1.1B
2006	6.60%	7.24%	13.06%	13.83%	5	N/A	59.2B	497.3M	113.7B	1.0B
2007	-15.00%	-10.10%	13.06%	13.80%	6	N/A	57.3B	512.5M	120.8B	1.1B
2008	-36.90%	-42.51%	20.08%	19.89%	5	N/A	30.5B	337.0M	61.0B	0.7B
2009	7.87%	9.00%	22.47%	21.79%	3	N/A	23.6B	253.8M	67.8B	0.7B
2010	16.70%	0.63%	24.83%	23.75%	3	N/A	17.3B	213.0M	84.0B	1.0B
2011	-3.35%	-18.76%	17.95%	17.46%	3	N/A	20.8B	271.0M	108.5B	1.4B
2012	25.13%	21.71%	15.72%	18.93%	4	N/A	33.7B	388.9M	158.6B	1.8B
2013	73.54%	54.53%	15.91%	19.11%	5	N/A	62.4B	592.2M	269.2B	2.6B
2014	15.99%	9.27%	15.08%	17.85%	5	N/A	79.4B	663.1M	376.8B	3.1B
2015	24.10%	9.90%	14.98%	16.80%	5	N/A	87.5B	727.8M	389.9B	3.2B
2016	3.74%	-0.66%	15.51%	17.08%	3	N/A	91.2B	779.9M	365.8B	3.1B
2017	24.62%	19.67%	14.92%	16.04%	4	N/A	118.8B	1.1B	421.9B	3.7B
2018	-15.96%	-15.14%	16.81%	14.93%	9	N/A	126.6B	1.2B	383.9B	3.5B
2019	19.01%	18.43%	14.12%	12.38%	11	2.86%	169.9B	1.6B	365.0B	3.4B
2020	7.97%	8.92%	17.91%	16.76%	12	3.41%	187.7B	1.8B	334.9B	3.2B
2021	10.78%	13.26%	15.29%	14.83%	12	1.74%	198.5B	1.7B	363.8B	3.2B
2022	-0.32%	-5.07%	15.05%	15.70%	10	1.82%	175.5B	1.3B	314.0B	2.4B

* Gross-of-fees returns for the period between July 1, 1996 and July 31, 2004 are actually net-of-fees returns, presented due to an older accounting system. Inclusion of these fees in the gross-of-fees returns brings these returns lower than the actual gross-of-fees returns (Disclosures continued on next page)

GIPS Composite and Performance Disclosures

Dalton Japan Long Only Composite (1 July 1996 through 31 December 2022)

1. Dalton Investments LLC and Dalton Investments, Inc. (collectively, “Dalton Investments” or the “Firm”) are investment advisers registered with the United States Securities and Exchange Commission (“SEC”). The Global Investment Performance Standards (“GIPS®”) definition of the Firm excludes: (i) Dalton Investments’ affiliates, such as Rosenwald Capital Management, Inc., (ii) its non-core real estate investment mandates and (iii) its closed, private client, high net-worth business.
2. Dalton Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Dalton Investments has been independently verified for the periods 01/01/2010 – 12/31/2022. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm’s policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Dalton Japan Long Only Composite (the “Composite”) has had a performance examination for the periods 01/01/2010 – 12/31/2022. The Firm’s list of pooled fund descriptions for limited distribution pooled funds is available upon request. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. The verification and performance examination reports are available upon request. The Firm’s list of composite descriptions is available upon request.
3. The Composite’s inception date was July 1, 1996 and contains all discretionary portfolio accounts managed within the Dalton Japan Long Only strategy. The Composite’s strategy seeks to follow a disciplined value investment process to identify intrinsically undervalued Japanese companies or companies that derive substantial revenue from Japan. The Composite’s strategy invests primarily in local ordinary shares and for Composite accounts that permit currency trading, certain currency instruments. The Composite’s strategy typically does not permit use of leverage including derivatives or shorts. Illiquid securities are not a significant part of this Composite strategy. The Composite was created in December 2014.
4. The Composite’s benchmark is the MSCI Daily Total Return Net Japan Index (MSCI Japan (JPY), symbol: NDDUJN) (the “Benchmark”) and is compiled by Morgan Stanley Capital International, Inc. It is a total return, free float-adjusted, capitalization-weighted index that is designed to track the performance of Japanese securities listed on the Tokyo Stock Exchange, Osaka Stock Exchange, JASDAQ and Nagoya Stock Exchange. Net total return indices reinvest dividends after the deduction of withholding taxes, using (for international indices) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties. For comparison purposes, Benchmark returns do not reflect transaction costs, investment management fees or other fees and expenses that would reduce performance in an actual account. It is not possible to invest in the Benchmark. The Composite’s portfolio accounts have held and are expected to continue to hold securities that are not included in the Benchmark and the Firm makes no representations that any account in the Composite is comparable to the Benchmark in composition or element of risk involved. Benchmark returns are not covered by the report of the independent verifiers.

(Disclosures continued on next page)

GIPS Composite and Performance Disclosures

Dalton Japan Long Only Composite (1 July 1996 through 31 December 2022)

5. Composite and Benchmark performance presented is calculated on a total return basis, which includes the reinvestment of all income, plus realized and unrealized gains/ losses, if applicable. Individual portfolio account returns within the Composite may vary substantially for such factors including, among others, account specific restrictions – e.g., whether currency investments are permitted, timing of transactions, contributions, withdrawals, and market conditions at the time of investment. Performance is expressed in Japanese Yen and is presented net of estimated foreign withholding taxes on dividends, which vary amongst the Composite’s portfolio accounts. To compute currency exchange rates, the Composite uses Bloomberg at 4PM EST close while the Benchmark uses WM Reuters at 4PM GMT close, which may result in differing exchange rates. For partial year periods, partial period Benchmark returns are used.
6. Gross-of-fees returns for the Composite are presented before management and performance fees, but after all trading expenses, withholding taxes and custodial fees (if applicable). The current standard management and performance fees for the Dalton Japan Long Only strategy are 1.00% and 20.00% per annum, respectively. Actual fees may differ due to various factors including, but not limited to, account size. Returns do not reflect the deduction of investment advisory fees. The Firm’s investment advisory fees are described in Dalton Investments’ Form ADV Part 2.

The deduction of the management and performance fees (and the compounding effect thereof over time) will reduce the performance results and, correspondingly, an account’s return. For example if ¥100 million were invested and experienced a 10% compounded annual total return for ten years, its ending value without giving effect to the deduction of the management or performance fees would be ¥259,374,246. If a 1% annual management fee, calculated and deducted quarterly, and 20% performance fee, calculated and deducted annually, were applied for the 10 year period, the total return would be 7.1% and the ending value would be ¥199,121,463.
7. Performance shown prior to July 1999 represents the performance of an account (the “Ported Account”) managed by James B. Rosenwald III (“Mr. Rosenwald”) through a Dalton Investments affiliated adviser (the “Ported Performance”). The investment management agreement for the Ported Account was transferred to Dalton Investments upon the firm’s inception. The Ported Performance is linked to the Composite performance given that the strategy for Ported Performance account is substantially similar to the Composite’s strategy. Mr. Rosenwald continues to be the primary portfolio manager.
8. Internal dispersion is calculated using the equal weighted standard deviation of the gross annual returns of all portfolio accounts included in the Composite for the entire year. Dispersion is not presented for periods less than one year or when there were five or fewer portfolios in the composite for the entire year as it is not considered statistically meaningful.
9. The three-year annualized standard deviation which uses gross annual returns measures the variability of the Composite and the Benchmark returns over the preceding 36-month period. The standard deviation is not presented for 1996 through 1998 as three years of data was not available at that point.
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